



Stephanie A. Cuello
SENIOR COUNSEL

August 30, 2024

VIA ELECTRONIC FILING

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Environmental Cost Recovery Clause; Docket No. 20240007-EI

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC, please find enclosed for electronic filing in the above-referenced Docket:

- DEF's Petition for Approval of Environmental Cost Recovery True-Up and 2025 Environmental Cost Recovery Clause Factors;
- Direct Testimony of Gary P. Dean and Exhibit No. (GPD-3);
- Direct Testimony of Patricia Q. West;
- Direct Testimony of Eric Szkolnyj; and
- Direct Testimony of Reginald Anderson.

Thank you for your assistance in this matter and if you have any questions, please feel free to contact me at (850) 521-1425.

Sincerely,

/s/ Stephanie A. Cuello

Stephanie A. Cuello

SAC/mh
Attachments

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery Clause

Docket No. 20240007-EI

Dated: August 30, 2024

**DUKE ENERGY FLORIDA’S PETITION FOR APPROVAL
OF ENVIRONMENTAL COST RECOVERY TRUE-UP AND 2025
ENVIRONMENTAL COST RECOVERY CLAUSE FACTORS**

Duke Energy Florida, LLC (“DEF” or the “Company”), hereby petitions for approval of its environmental cost recovery true-up, proposed Environmental Cost Recovery Clause (“ECRC”) factors for the period January 2025 to December 2025. In support of this Petition, the Company states:

1. The total true-up applicable for this period is an over-recovery of \$3,484,622. This consists of the final true-up over-recovery of \$1,548,518 for the period from January 2023 through December 2023 and an estimated true-up over-recovery of \$1,936,104 for the current period of January 2024 through December 2024. Documentation supporting the total true-up over-recovery is provided in the testimony of Gary P. Dean and Exhibit No. (GPD-2) submitted on July 26, 2024, and Mr. Dean’s testimony and Exhibit No. (GPD-3) submitted contemporaneously with this Petition. Additional cost information for specific ECRC programs for the period January 2024 through December 2024 are presented in the July 26, 2024, pre-filed testimonies of Reginald Anderson, Eric Szkolnyj, and Patricia West.

2. As explained in Mr. Dean’s testimony submitted with this Petition and shown on Form 42-1P Line 4 of Mr. Dean’s Exhibit No. (GPD-3), the total projected jurisdictional capital and O&M costs, including the total true-up over-recovery of \$3,484,622, for the period January 2025 through December 2025 are \$11,656,099. Projected costs for specific ECRC programs for

the period January 2025 through December 2025 are presented in the pre-filed testimonies of Mr. Anderson, Mr. Dean, Mr. Szkolnyj, and Ms. West, submitted with this Petition.

3. Ms. West will provide an update on the Citrus Combined Cycle Water Treatment System Program, which was addressed in the Petition filed April 1, 2024 in this Docket.

4. DEF's proposed ECRC factors for the period January 2025 to December 2025, which are designed to recover the 2023 final true-up, 2024 actual/estimated true-up, projected 2025 costs, and proposed cost allocations for the Citrus Combined Cycle Water Treatment System Program are presented for the Commission's review and approval in Mr. Dean's testimony and supporting exhibits submitted with this Petition.

5. The environmental cost recovery true-up and proposed ECRC factors presented in Mr. Dean's testimony and exhibits are consistent with the provisions of Section 366.8255, Florida Statutes, and with prior rulings by the Commission.

WHEREFORE, DEF respectfully requests that the Commission approve the Company's environmental cost recovery true-up, proposed ECRC factors for the period January 2025 through December 2025, and proposed cost allocations for the Citrus Combined Cycle Water Treatment System Program as set forth in the testimony and supporting exhibits of Mr. Dean filed contemporaneously with this Petition for ECRC Recovery.

RESPECTFULLY SUBMITTED this 30th day of August, 2024.

/s/ Stephanie A. Cuello
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Attorneys for Duke Energy Florida, LLC

CERTIFICATE OF SERVICE

Docket No. 20240007-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 30th day of August, 2024.

/s/ Stephanie A. Cuello

Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

GARY P. DEAN

ON BEHALF OF

DUKE ENERGY FLORIDA, LLC

DOCKET NO. 20240007-EI

August 30, 2024

1 **Q. Please state your name and business address.**

2 A. My name is Gary P. Dean. My business address is 299 First Avenue North, St.
3 Petersburg, FL 33701.

4

5 **Q. Have you previously filed testimony before this Commission in Docket No.**
6 **20240007-EI?**

7 A. Yes. I provided direct testimony on April 1, 2024, and July 26, 2024.

8

9 **Q. Has your job description, education, background, or professional experience**
10 **changed since that time?**

11 A. No.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to present, for Commission review and approval,
15 Duke Energy Florida, LLC's ("DEF" or "Company") calculation of revenue

1 requirements and Environmental Cost Recovery Clause (“ECRC”) factors for
2 customer billings for the period January 2025 through December 2025. My
3 testimony also addresses capital and O&M expenses for DEF’s environmental
4 compliance activities for the year 2025.

5
6 **Q. Have you prepared or caused to be prepared under your direction,
7 supervision, or control any exhibits in this proceeding?**

8 A. Yes. I am sponsoring the following exhibit:
9 Exhibit No. (GPD-3), which consists of PSC Forms 42-1P through 42-8P
10 The individuals listed below are co-sponsors of Forms 42-5P pages 1-4 and 6-26
11 as indicated in their direct testimony. I am sponsoring Form 42-5P page 5.

- 12 • Mr. Anderson and Ms. West will co-sponsor Form 42-5P page 7.
- 13 • Mr. Anderson will co-sponsor Form 42-5P pages 20-22.
- 14 • Mr. Szkolnyj will co-sponsor Form 42-5P page 23.
- 15 • Ms. West will co-sponsor Forms 42-5P pages 1-4, 6, 8-19, and 24-26.

16
17 **Q. Please summarize your testimony.**

18 A. My testimony supports the approval of an average ECRC billing factor of 0.029
19 cents per kWh which includes projected jurisdictional capital and O&M revenue
20 requirements for the period January 2025 through December 2025 of
21 approximately \$15.1 million, and a net true-up over-recovery provision of
22 approximately \$3.5 million from prior periods. My testimony also supports that

1 projected environmental expenditures for 2025 are appropriate for recovery
2 through the ECRC.

3

4 **Q. What is the total recoverable revenue requirement for the period January
5 2025 through December 2025?**

6 A. The total recoverable revenue requirement including true-up amounts is
7 approximately \$11.7 million as shown on Form 42-1P line 4 of Exhibit No. (GPD-
8 3).

9

10 **Q. What is the total true-up to be applied for the period January 2025 through
11 December 2025?**

12 A. The total true-up applicable to this period is a net over-recovery of approximately
13 \$3.5 million. This amount consists of the final true-up over-recovery of
14 approximately \$1.5 million for the period January 2023 through December 2023,
15 and an estimated true-up over-recovery of approximately \$1.9 million for the
16 current period of January 2024 through December 2024. The detailed calculation
17 supporting the 2024 estimated true-up was provided on Forms 42-1E through 42-
18 9E of Exhibit No. (GPD-2) filed with the Commission on July 26, 2024.

19

20 **Q. Are all the costs listed on Forms 42-1P through 42-7P attributable to
21 environmental compliance programs previously approved by the
22 Commission?**

1 A. Yes, with the exception of Project 21 (Citrus Combined Cycle Water Treatment
2 System), which was submitted for approval on April 1, 2024 in this Docket. All
3 other costs listed on Forms 42-1P through 42-7P were previously approved by the
4 Commission and are listed below:

5
6 The Substation and Distribution System Programs (Project 1 & 2) were previously
7 approved in Order No. PSC-2002-1735-FOF-EI.

8
9 The Pipeline Integrity Management Program (Project 3) and the Above Ground
10 Tank Secondary Containment Program (Project 4) were previously approved in
11 Order No. PSC-2003-1348-FOF-EI.

12
13 The recovery of sulfur dioxide (SO₂) Emission Allowances (Project 5) was
14 previously approved in Order No. PSC-1995-0450-FOF-EI, however, the costs
15 were moved to the ECRC docket from the Fuel docket beginning January 1, 2004
16 at the request of Staff to be consistent with the other Florida investor owned
17 utilities.

18
19 CAIR was replaced by the Cross-State Air Pollution Rule on January 1, 2015.
20 Consistent with Order No. PSC-2011-0553-FOF-EI, DEF treated the costs
21 associated with unusable NO_x emission allowances as a regulatory asset and
22 amortized it over three (3) years, beginning January 1, 2015, until fully recovered
23 December 31, 2017, with a return on the unamortized investment.

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The Phase II Cooling Water Intake 316(b) Program (Project 6) was previously approved in Order No. PSC-2004-0990-PAA-EI, PSC-2018-0014-FOF-EI, and PSC-2020-0433-FOF-EI.

DEF’s Integrated Clean Air Compliance Plan (Project 7) was approved by the Commission as a prudent and reasonable means of complying with the Clean Air Interstate Rule and related regulatory requirements in Order No. PSC-2007-0922-FOF-EI. The NESHAP provision was approved in Order No. PSC-2022-0424-FOF-EI.

The Arsenic Groundwater Standard Program (Project 8), Sea Turtle Lighting Program (Project 9) and Underground Storage Tanks Program (Project 10) were previously approved in Order No. PSC-2005-1251-FOF-EI.

The Modular Cooling Tower Project (Project 11) was previously approved in Order No. PSC-2007-0722-FOF-EI.

The Crystal River Thermal Discharge Compliance Project (Project 11.1) and Greenhouse Gas Inventory and Reporting Project (Project 12) were previously approved in Order No. PSC-2008-0775-FOF-EI.

1 The Mercury Total Maximum Loads Monitoring Program (Project 13) was
2 previously approved in Order No. PSC-2009-0759-FOF-EI.

3

4 The Hazardous Air Pollutants (HAPs) ICR Program (Project 14) was previously
5 approved in Order No. PSC-2010-0099-PAA-EI.

6

7 The Effluent Limitations Guidelines ICR Program (Project 15) was previously
8 approved in Order No. PSC-2010-0683-PAA-EI.

9

10 The Effluent Limitations Guidelines Program (Project 15.1) was previously
11 approved in Order No. PSC-2013-0606-FOF-EI.

12

13 The National Pollutant Discharge Elimination System (NPDES) Program (Project
14 16) was previously approved in Order No. PSC-2011-0553-FOF-EI.

15

16 The Mercury & Air Toxic Standards (MATS) Program (Project 17) which
17 replaces Maximum Achievable Control Technology (MACT) was previously
18 approved in Order Nos. PSC-2011-0553-FOF-EI, PSC-2012-0432-PAA-EI and
19 PSC-2014-0173-PAA-EI.

20

21 The Coal Combustion Residual (CCR) Rule (Project 18) was previously approved
22 in Order No. PSC-2015-0536-FOF-EI, Order No. PSC-2018-0594-FOF-EI, and
23 Order No. PSC-2019-0500-FOF-EI.

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The Reclaimed Water Interconnection (Project 19) was previously approved in Order No. PSC-2023-0344-FOF-EI.

The Lead and Copper Rule (Project 20) was previously approved in Order No. PSC-2023-0344-FOF-EI.

Q. Does the 2025 Projection Filing comply with the 2024 Settlement Agreement approved by the Commission on August 21, 2024, in Docket No. 20240025?

A. Yes. All matters in the 2024 Settlement Agreement have been incorporated into the filing.

Q. How will Citrus Combined Cycle (“CCC”) Water Treatment System (Project 21) be allocated to rate classes?

A: DEF proposes that O&M and capital costs associated with the CCC Water Treatment System be allocated to rate classes on a Demand basis.

Q. Have you prepared schedules showing the calculation of the recoverable O&M project costs for 2025?

A. Yes. Form 42-2P of Exhibit No. (GPD-3) summarizes recoverable jurisdictional O&M cost estimates for these projects of approximately \$10.0 million.

1 **Q. Have you prepared schedules showing the calculation of the recoverable**
2 **capital project costs for 2025?**

3 A. Yes. Form 42-3P of Exhibit No. (GPD-3) summarizes recoverable jurisdictional
4 capital cost estimates for these projects of approximately \$5.1 million. Form 42-
5 4P pages 1 through 11 show detailed calculations of these costs.

6

7 **Q. Have you prepared schedules providing progress reports for all**
8 **environmental compliance projects?**

9 A. Yes. Form 42-5P pages 1 through 26 of Exhibit No. (GPD-3) provide a
10 description, progress summary and recoverable cost estimates for each project.

11

12 **Q. What are the total projected recoverable jurisdictional costs for**
13 **environmental compliance projects for the year 2025?**

14 A. The total jurisdictional capital and O&M costs to be recovered through the ECRC
15 are approximately \$15.1 million. The costs are calculated on Form 42-1P line 1c
16 of Exhibit No. (GPD-3).

17

18 **Q. Please describe how the proposed ECRC factors are developed.**

19 A. The ECRC factors are calculated on Forms 42-6P and 42-7P of Exhibit No. (GPD-
20 3). The demand component of class allocation factors is calculated by determining
21 the percentage each rate class contributes to monthly system peaks adjusted for
22 losses for each rate class which is obtained from DEF's load research study filed
23 with the Commission on April 28, 2023. The energy allocation factors are calculated

1 by determining the percentage each rate class contributes to total kilowatt-hour sales
2 adjusted for losses for each rate class. Form 42-7P presents the calculation of the
3 proposed ECRC billing factors by rate class.

4

5 **Q. What are DEF's proposed 2025 ECRC billing factors by the various rate**
6 **classes and delivery voltages?**

7 A. The calculation of DEF's proposed ECRC factors for 2025 customer billings is
8 shown on Form 42-7P in Exhibit No. (GPD-3) as follows:

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RATE CLASS	ECRC FACTORS
Residential	0.030 cents/kWh
General Service Non-Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.028 cents/kWh 0.028 cents/kWh 0.027 cents/kWh
General Service 100% Load Factor	0.026 cents/kWh
General Service Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.027 cents/kWh 0.027 cents/kWh 0.026 cents/kWh
Curtailable @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.025 cents/kWh 0.025 cents/kWh 0.025 cents/kWh
Interruptible @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.025 cents/kWh 0.025 cents/kWh 0.025 cents/kWh
Lighting	0.021 cents/kWh

1 **Q. When is DEF requesting that the proposed ECRC billing factors be**
2 **effective?**

3 A. DEF is requesting that its proposed ECRC billing factors be effective with the
4 first billing cycle of January 2025 and continue through the last billing cycle of
5 December 2025.

6

7 **Q. Does this conclude your testimony?**

8 A. Yes.

Docket No. 20240007-EI

Duke Energy Florida, LLC

Witness: G. P. Dean

Exh. No. (GPD-3)

Page 1 of 44

**DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Commission Forms 42-1P Through 42-8P**

**January 2025 - December 2025
Calculation of Projected Period Amount**

Docket No. 20240007-EI

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Form 42-1P

Docket No. 20240007-EI

Duke Energy Florida, LLC

Witness: G. P. Dean

Exh. No. (GPD-3)

Page 2 of 44

Line	Energy (\$)	Transmission Demand (\$)	Distribution Demand (\$)	Production Demand (\$)	Total (\$)
1 Total Jurisdictional Rev Req for the Projected Period					
a Projected O&M Activities (Form 42-2P, Lines 7 through 9)	\$9,295,443	\$0	\$0	\$707,672	\$10,003,115
b Projected Capital Projects (Form 42-3P, Lines 7 through 9)	1,148,704	0	0	3,988,902	5,137,606
c Total Jurisdictional Rev Req for the Projected Period (Lines 1a + 1b)	<u>10,444,147</u>	<u>0</u>	<u>0</u>	<u>4,696,574</u>	<u>15,140,721</u>
2 True-up for Estimated Over/(Under) Recovery for the Current Period January 2024 - December 2024 (Form 42-2E, Line 5 + 6 + 10)	1,726,094	0	0	210,010	1,936,104
3 Final True-up Over/(Under) for the Period January 2023 - December 2023 (Form 42-1A, Line 3)	<u>1,634,281</u>	<u>0</u>	<u>0</u>	<u>(85,763)</u>	<u>1,548,518</u>
4 Total Jurisdictional Amount to Be Recovered/(Refunded) in the Projection Period January 2025 - December 2025 (Line 1 - Line 2 - Line 3)	<u><u>\$7,083,772</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$4,572,327</u></u>	<u><u>\$11,656,099</u></u>

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Form 42-2P

Docket No. 20240007-EI
 Duke Energy Florida, LLC
 Witness: G. P. Dean
 Exh. No. (GPD-3)
 Page 3 of 44

O&M Activities
(in Dollars)

Line	Description	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	O&M Activities - System													
1	Transmission Substation Environmental Investigation, Remediation and Pollution Prevention	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1a	Distribution Substation Environmental Investigation, Remediation and Pollution Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Distribution System Environmental Investigation, Remediation and Pollution Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Pipeline Integrity Management - Bartow/Anclole Pipeline - Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Above Ground Tank Secondary Containment - Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0
5	SO2/NOx Emissions Allowances - Energy	630	630	630	630	630	630	630	630	630	630	630	630	7,554
6	Phase II Cooling Water Intake 316(b) - Base	18,000	18,000	18,000	18,000	18,000	20,000	22,000	22,000	21,000	20,000	18,000	18,000	231,000
6a	Phase II Cooling Water Intake 316(b) - Intm	8,610	104,550	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	39,975	374,535
7.2	CAIR/CAMR - Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0
7.4	CAIR/CAMR Crystal River - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
7.4	CAIR/CAMR Crystal River - Energy	414,923	388,504	578,708	252,325	287,529	1,041,634	828,048	844,743	1,069,562	813,345	769,745	1,022,104	8,311,169
7.4	CAIR/CAMR Crystal River - A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
7.4	CAIR/CAMR Crystal River - Conditions of Certification - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
7.5	Best Available Retrofit Technology (BART) - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
7.6	National Emission Standards for Hazardous Air Pollutants (NESHAP) - Base	0	0	25,000	0	0	0	0	0	0	0	0	0	25,000
8	Arsenic Groundwater Standard - Base	1,287	1,287	6,287	300	400	2,600	38,890	320	300	300	5,300	300	57,571
9	Sea Turtle - Coastal Street Lighting - Distrib	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Modular Cooling Towers - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Greenhouse Gas Inventory and Reporting - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Mercury Total Daily Maximum Loads Monitoring - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Hazardous Air Pollutants (HAPs) ICR Program - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Effluent Limitation Guidelines ICR Program - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
15.1	Effluent Limitation Guidelines Program CRN - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
16	National Pollutant Discharge Elimination System (NPDES) - Energy	0	0	12,125	0	4,975	38,167	0	38,167	62,692	14,055	15,340	4,445	189,966
17	Mercury & Air Toxic Standards (MATS) CR4 & CR5 - Energy	0	35,000	84,000	42,000	0	0	0	0	0	0	0	0	161,000
17.1	Mercury & Air Toxic Standards (MATS) Anclole Gas Conversion - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
17.2	Mercury & Air Toxic Standards (MATS) CR1 & CR2 - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Coal Combustion Residual (CCR) Rule - Energy	25,116	34,816	51,316	101,174	76,849	61,524	49,599	37,174	46,174	68,049	70,424	67,049	689,261
19	Reclaimed Water Interconnection - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Lead and Copper Rule - Base	0	0.00000	0	0	0	0	0	0	0	0	0	0	0
21	CCC Water Treatment System - Base	0	0	0	0	0	0	0	7,500	7,500	7,500	7,500	7,500	37,500
2	Total O&M Activities - Recoverable Costs	\$468,565	\$582,786	\$800,665	\$439,029	\$412,982	\$1,189,155	\$963,766	\$975,133	\$1,232,457	\$948,478	\$911,539	\$1,160,002	\$10,084,556
3	Recoverable Costs Allocated to Energy	440,668	458,949	726,778	396,129	369,982	1,141,955	878,276	920,713	1,179,057	896,078	856,139	1,094,227	9,358,950
4	Recoverable Costs Allocated to Demand - Transm	0	0	0	0	0	0	0	0	0	0	0	0	0
	Recoverable Costs Allocated to Demand - Distrib	0	0	0	0	0	0	0	0	0	0	0	0	0
	Recoverable Costs Allocated to Demand - Prod-Base	19,287	19,287	49,287	18,300	18,400	22,600	60,890	29,820	28,800	27,800	30,800	25,800	351,071
	Recoverable Costs Allocated to Demand - Prod-Intm	8,610	104,550	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	39,975	374,535
	Recoverable Costs Allocated to Demand - Prod-Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0
	Recoverable Costs Allocated to Demand - A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Retail Energy Jurisdictional Factor	0.99147	0.99195	0.99091	0.99262	0.99299	0.99437	0.99447	0.99461	0.99480	0.99377	0.99298	0.99089	
6	Retail Transmission Demand Jurisdictional Factor	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	0.70369	
	Retail Distribution Demand Jurisdictional Factor	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
	Retail Production Demand Jurisdictional Factor - Base	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
	Retail Production Demand Jurisdictional Factor - Intm	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	
	Retail Production Demand Jurisdictional Factor - Peaking	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	
	Retail Production Demand Jurisdictional Factor - A&G	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	0.97366	
7	Jurisdictional Energy Recoverable Costs (A)	436,907	455,256	720,173	393,204	367,388	1,135,526	873,421	915,746	1,172,932	890,497	850,132	1,084,261	9,295,443
8	Jurisdictional Demand Recoverable Costs - Transm (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
	Jurisdictional Demand Recoverable Costs - Distrib (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
	Jurisdictional Demand Recoverable Costs - Prod-Base (B)	19,287	19,287	49,287	18,300	18,400	22,600	60,890	29,820	28,800	27,800	30,800	25,800	351,071
	Jurisdictional Demand Recoverable Costs - Prod-Intm (B)	8,198	99,544	23,422	23,422	23,422	23,422	23,422	23,422	23,422	23,422	23,422	38,061	356,601
	Jurisdictional Demand Recoverable Costs - Prod-Peaking (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
	Jurisdictional Demand Recoverable Costs - A&G (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total Jurisdictional Recoverable Costs - O&M Activities (Lines 7 + 8)	\$464,392	\$574,087	\$792,882	\$434,926	\$409,210	\$1,181,548	\$957,733	\$968,988	\$1,225,154	\$941,719	\$904,354	\$1,148,122	\$10,003,115

Notes:
 (A) Line 3 x Line 5
 (B) Line 4 x Line 6

**DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025**

Form 42-3P

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 4 of 44

**Capital Investment Projects- Recoverable Costs
(in Dollars)**

Line	Description	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investment Projects - System (A)													
3.1	Pipeline Integrity Management - Bartow/Anclote Pipeline - Intm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4.1	Above Ground Tank Secondary Containment - Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0
4.2	Above Ground Tank Secondary Containment - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3	Above Ground Tank Secondary Containment - Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
5	SO2/NOX Emissions Allowances - Energy	21,887	21,883	21,878	21,874	21,870	21,865	21,861	21,857	21,852	21,848	21,845	21,840	262,360
6	Phase II Cooling Water Intake 316(b) - Base	137,324	136,936	136,548	136,161	135,773	135,385	134,997	134,609	134,221	133,833	133,446	133,058	1,622,291
6.1	Phase II Cooling Water Intake 316(b) - Base - Bartow	4,256	4,531	4,805	5,216	5,765	6,313	6,862	7,547	8,370	9,193	9,878	10,427	83,163
6.2	Phase II Cooling Water Intake 316(b) - Intermediate - Anclote	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1	CAIR/CAMR Anclote- Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
7.2	CAIR/CAMR - Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0
7.3	CAMR Crystal River - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
7.4	CAIR/CAMR Crystal River AFUDC - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
7.4	CAIR/CAMR Crystal River AFUDC - Energy	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	503,962
7.5	Best Available Retrofit Technology (BART) - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
7.6	National Emission Standards for Hazardous Air Pollutants (NESHAP) - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Sea Turtle - Coastal Street Lighting - Distrib	0	0	0	0	0	0	0	0	0	0	0	0	0
10.1	Underground Storage Tanks - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
10.2	Underground Storage Tanks - Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Modular Cooling Towers - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
11.1	Crystal River Thermal Discharge Compliance Project - Base (Post 2012)	0	0	0	0	0	0	0	0	0	0	0	0	0
11.1	Crystal River Thermal Discharge Compliance Project - Base (2012)	0	0	0	0	0	0	0	0	0	0	0	0	0
15.1	Effluent Limitation Guidelines CRN (ELG) - Base	25,190	25,117	25,043	24,971	24,897	24,823	24,751	24,677	24,604	24,531	24,458	24,384	297,446
16	National Pollutant Discharge Elimination System (NPDES) - Intm	103,496	103,229	102,961	102,694	102,427	102,160	101,893	101,625	101,358	101,090	100,823	100,557	1,224,313
17	Mercury & Air Toxic Standards (MATS) CR4 & CR5 - Energy	33,110	33,007	32,903	32,800	32,697	32,593	32,490	32,386	32,283	32,180	32,076	31,973	390,498
17.1	Mercury & Air Toxic Standards (MATS) Anclote Gas Conversion - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
17.2	Mercury & Air Toxic Standards (MATS) CR1 & CR2 - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Coal Combustion Residual (CCR) Rule - Base	42,362	42,242	42,120	41,999	41,877	41,757	41,636	41,514	41,394	41,273	41,151	41,030	500,355
19	Reclaimed Water Interconnection - Peaking	1,301	1,487	2,087	2,944	3,800	4,915	6,029	6,886	8,000	9,115	10,074	11,034	67,672
20	Lead and Copper Rule - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
21	CCC Water Treatment System - Base	12,473	12,473.00000	12,987	14,358	16,073	17,615	18,815	19,672	32,485	32,399	32,313	32,228	253,891
2	Total Investment Projects - Recoverable Costs	\$423,396	\$422,902	\$423,329	\$425,014	\$427,176	\$429,423	\$431,331	\$432,770	\$446,564	\$447,459	\$448,061	\$448,528	\$5,205,951
3	Recoverable Costs Allocated to Energy	96,994	96,887	96,778	96,671	96,564	96,455	96,348	96,240	96,132	96,025	95,918	95,810	1,156,820
	Recoverable Costs Allocated to Distribution Demand	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Recoverable Costs Allocated to Demand - Production - Base	221,605	221,299	221,503	222,705	224,385	225,893	227,061	228,019	241,074	241,229	241,246	241,127	2,757,146
	Recoverable Costs Allocated to Demand - Production - Intermediate	103,496	103,229	102,961	102,694	102,427	102,160	101,893	101,625	101,358	101,090	100,823	100,557	1,224,313
	Recoverable Costs Allocated to Demand - Production - Peaking	1,301	1,487	2,087	2,944	3,800	4,915	6,029	6,886	8,000	9,115	10,074	11,034	67,672
5	Retail Energy Jurisdictional Factor	0.99147	0.99195	0.99091	0.99262	0.99299	0.99437	0.99447	0.99461	0.99480	0.99377	0.99298	0.99089	
	Retail Distribution Demand Jurisdictional Factor	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
6	Retail Demand Jurisdictional Factor - Production - Base	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
	Retail Demand Jurisdictional Factor - Production - Intermediate	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	
	Retail Demand Jurisdictional Factor - Production - Peaking	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	
7	Jurisdictional Energy Recoverable Costs (B)	96,166	96,107	95,898	95,957	95,887	95,912	95,815	95,721	95,632	95,427	95,245	94,937	1,148,704
	Jurisdictional Demand Recoverable Costs - Distribution (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Jurisdictional Demand Recoverable Costs - Production - Base (C)	221,605	221,299	221,503	222,705	224,385	225,893	227,061	228,019	241,074	241,229	241,246	241,127	2,757,141
	Jurisdictional Demand Recoverable Costs - Production - Intermediate (C)	98,541	98,286	98,031	97,777	97,523	97,269	97,014	96,759	96,505	96,250	95,996	95,742	1,165,692
	Jurisdictional Demand Recoverable Costs - Production - Peaking (C)	1,270	1,452	2,038	2,874	3,710	4,799	5,886	6,723	7,811	8,899	9,835	10,773	66,069
9	Total Jurisdictional Recoverable Costs - Investment Projects (Lines 7 + 8)	\$417,581	\$417,144	\$417,470	\$419,313	\$421,504	\$423,872	\$425,776	\$427,221	\$441,021	\$441,804	\$442,321	\$442,579	\$5,137,606

Notes:
(A) Each project's Total System Recoverable Expenses on Form 42-4P, Line 9; Form 42-4P, Line 5 for Projects 5 - Emission Allowances and Project 7.4 - Reagents.
(B) Line 3 x Line 5
(C) Line 4 x Line 6

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

SO2 and NOx EMISSIONS ALLOWANCES - Energy (Project 5)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Working Capital Dr (Cr)														
	a. 0158150 SO ₂ Emission Allowance Inventory	\$3,192,744	\$3,192,114	\$3,191,485	\$3,190,855	\$3,190,226	\$3,189,596	\$3,188,967	\$3,188,337	\$3,187,708	\$3,187,078	\$3,186,449	\$3,185,819	\$3,185,190	\$3,185,190
	b. 0254020 Auctioned SO ₂ Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c. 0158170 NO _x Emission Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Total Working Capital	<u>\$3,192,744</u>	<u>\$3,192,114</u>	<u>\$3,191,485</u>	<u>\$3,190,855</u>	<u>\$3,190,226</u>	<u>\$3,189,596</u>	<u>\$3,188,967</u>	<u>\$3,188,337</u>	<u>\$3,187,708</u>	<u>\$3,187,078</u>	<u>\$3,186,449</u>	<u>\$3,185,819</u>	<u>\$3,185,190</u>	<u>\$3,185,190</u>
3	Average Net Investment		\$3,192,429	\$3,191,800	\$3,191,170	\$3,190,541	\$3,189,911	\$3,189,281	\$3,188,652	\$3,188,022	\$3,187,393	\$3,186,763	\$3,186,134	\$3,185,504	
4	Return on Average Net Working Capital Balance (B)														
	a. Debt Component		1.86%												
	b. Equity Component Grossed Up For Taxes		6.37%												
5	Total Return Component (C)		<u>\$21,887</u>	<u>\$21,883</u>	<u>\$21,878</u>	<u>\$21,874</u>	<u>\$21,870</u>	<u>\$21,865</u>	<u>\$21,861</u>	<u>\$21,857</u>	<u>\$21,852</u>	<u>\$21,848</u>	<u>\$21,845</u>	<u>\$21,840</u>	<u>262,360</u>
	Expense Dr (Cr)														
	a. 0509030 SO ₂ Allowance Expense		630	630	630	630	630	630	630	630	630	630	630	630	7,554
	b. 0407426 Amortization Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. 0509212 NO _x Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Net Expense (D)		<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>630</u>	<u>7,554</u>
8	Total System Recoverable Expenses (Lines 5 + 7)		\$22,517	\$22,513	\$22,508	\$22,504	\$22,500	\$22,495	\$22,491	\$22,487	\$22,482	\$22,478	\$22,475	\$22,470	269,914
	a. Recoverable costs allocated to Energy		\$22,517	\$22,513	\$22,508	\$22,504	\$22,500	\$22,495	\$22,491	\$22,487	\$22,482	\$22,478	\$22,475	\$22,470	269,914
	b. Recoverable costs allocated to Demand		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
9	Energy Jurisdictional Factor		0.99147	0.99195	0.99091	0.99262	0.99299	0.99437	0.99447	0.99461	0.99480	0.99377	0.99298	0.99089	
10	Demand Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Retail Energy-Related Recoverable Costs (E)		\$22,324	\$22,331	\$22,303	\$22,337	\$22,342	\$22,368	\$22,366	\$22,365	\$22,365	\$22,338	\$22,317	\$22,265	268,021
12	Retail Demand-Related Recoverable Costs (F)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)		<u>\$ 22,324</u>	<u>\$ 22,331</u>	<u>\$ 22,303</u>	<u>\$ 22,337</u>	<u>\$ 22,342</u>	<u>\$ 22,368</u>	<u>\$ 22,366</u>	<u>\$ 22,365</u>	<u>\$ 22,365</u>	<u>\$ 22,338</u>	<u>\$ 22,317</u>	<u>\$ 22,265</u>	<u>\$ 268,021</u>

Notes:

- (A) N/A
- (B) Line 3 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 5 is reported on Capital Schedule
- (D) Line 7 is reported on O&M Schedule
- (E) Line 8a x Line 9
- (F) Line 8b x Line 10

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: Phase II Cooling Water Intake 316(b) - Base (Project 6)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239	13,196,239
3	Less: Accumulated Depreciation	(1,390,819)	(1,447,383)	(1,503,947)	(1,560,511)	(1,617,075)	(1,673,639)	(1,730,203)	(1,786,767)	(1,843,331)	(1,899,895)	(1,956,459)	(2,013,023)	(2,069,587)	(2,069,587)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$11,805,420	\$11,748,856	\$11,692,292	\$11,635,728	\$11,579,164	\$11,522,600	\$11,466,036	\$11,409,472	\$11,352,908	\$11,296,344	\$11,239,780	\$11,183,216	\$11,126,652	\$11,126,652
6	Average Net Investment		\$11,777,138	\$11,720,574	\$11,664,010	\$11,607,446	\$11,550,882	\$11,494,318	\$11,437,754	\$11,381,190	\$11,324,626	\$11,268,062	\$11,211,498	\$11,154,934	\$11,154,934
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	18,255	18,167	18,079	17,992	17,904	17,816	17,729	17,641	17,553	17,465	17,378	17,290	213,269
	b. Equity Component Grossed Up For Taxes	6.37%	62,489	62,189	61,889	61,589	61,289	60,989	60,688	60,388	60,088	59,788	59,488	59,188	730,062
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	5.1437%	56,564	56,564	56,564	56,564	56,564	56,564	56,564	56,564	56,564	56,564	56,564	56,564	678,768
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	16	16	16	16	16	16	16	16	16	16	16	16	192
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$137,324	\$136,936	\$136,548	\$136,161	\$135,773	\$135,385	\$134,997	\$134,609	\$134,221	\$133,833	\$133,446	\$133,058	1,622,291
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		137,324	136,936	136,548	136,161	135,773	135,385	134,997	134,609	134,221	133,833	133,446	133,058	1,622,291
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		137,324	136,936	136,548	136,161	135,773	135,385	134,997	134,609	134,221	133,833	133,446	133,058	1,622,291
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$137,324	\$136,936	\$136,548	\$136,161	\$135,773	\$135,385	\$134,997	\$134,609	\$134,221	\$133,833	\$133,446	\$133,058	\$1,622,291

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: Phase II Cooling Water Intake 316(b) - Base - Bartow (Project 6.1)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$40,000	\$40,000	\$40,000	\$80,000	\$80,000	\$80,000	\$80,000	\$120,000	\$120,000	\$120,000	\$80,000	\$80,000	\$960,000
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	600,885	640,885	680,885	720,885	800,885	880,885	960,885	1,040,885	1,160,885	1,280,885	1,400,885	1,480,885	1,560,885	
5	Net Investment (Lines 2 + 3 + 4)	<u>\$600,885</u>	<u>\$640,885</u>	<u>\$680,885</u>	<u>\$720,885</u>	<u>\$800,885</u>	<u>\$880,885</u>	<u>\$960,885</u>	<u>\$1,040,885</u>	<u>\$1,160,885</u>	<u>\$1,280,885</u>	<u>\$1,400,885</u>	<u>\$1,480,885</u>	<u>\$1,560,885</u>	
6	Average Net Investment		\$620,885	\$660,885	\$700,885	\$760,885	\$840,885	\$920,885	\$1,000,885	\$1,100,885	\$1,220,885	\$1,340,885	\$1,440,885	\$1,520,885	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	962	1,024	1,086	1,179	1,303	1,427	1,551	1,706	1,892	2,078	2,233	2,357	18,798
	b. Equity Component Grossed Up For Taxes	6.37%	3,294	3,507	3,719	4,037	4,462	4,886	5,311	5,841	6,478	7,115	7,645	8,070	64,365
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	1.7361%	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$4,256	\$4,531	\$4,805	\$5,216	\$5,765	\$6,313	\$6,862	\$7,547	\$8,370	\$9,193	\$9,878	\$10,427	83,163
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		4,256	4,531	4,805	5,216	5,765	6,313	6,862	7,547	8,370	9,193	9,878	10,427	83,163
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		4,256	4,531	4,805	5,216	5,765	6,313	6,862	7,547	8,370	9,193	9,878	10,427	83,163
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		<u>\$4,256</u>	<u>\$4,531</u>	<u>\$4,805</u>	<u>\$5,216</u>	<u>\$5,765</u>	<u>\$6,313</u>	<u>\$6,862</u>	<u>\$7,547</u>	<u>\$8,370</u>	<u>\$9,193</u>	<u>\$9,878</u>	<u>\$10,427</u>	<u>\$83,163</u>

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: Phase II Cooling Water Intake 316(b) - Intermediate - Anclote (Project 6.2)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Average Net Investment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Equity Component Grossed Up For Taxes	6.37%	0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	2.5603%	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate)		0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Schedule of Amortization and Return
For Project: CAIR/CAMR - Energy (Project 7.4 - Reagents and By-Products)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Working Capital Dr (Cr)														
	a. 0154401 Ammonia Inventory	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	\$4,550,191	4,550,191
	b. 0154200 Limestone Inventory	\$1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382	1,575,382
2	Total Working Capital	\$6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573
3	Average Net Investment		6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	6,125,573	
4	Return on Average Net Working Capital Balance (A)														
	a. Debt Component	1.86%	9,495	9,495	9,495	9,495	9,495	9,495	9,495	9,495	9,495	9,495	9,495	9,495	\$113,936
	b. Equity Component Grossed Up For Taxes	6.37%	32,502	32,502	32,502	32,502	32,502	32,502	32,502	32,502	32,502	32,502	32,502	32,502	390,026
5	Total Return Component (B)		41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	41,997	503,962
6															
	a. 0502010 Ammonia Expense		120,000	120,000	120,000	120,000	120,000	202,010	202,010	202,010	202,010	202,010	202,010	202,010	2,014,070
	b. 0502040 Limestone Expense		420,053	374,727	272,169	141,176	201,005	537,127	641,120	667,687	581,305	612,394	538,371	500,075	5,487,208
	c. 0502050 Dibasic Acid Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. 0502070 Gypsum Disposal/Sale		(175,131)	(156,223)	(113,461)	(58,850)	(83,476)	(222,542)	(265,122)	(274,994)	(238,793)	(251,099)	(220,675)	(205,021)	(2,265,389)
	e. 0502040 Hydrated Lime Expense		50,000	50,000	50,000	50,000	50,000	250,040	250,040	250,040	250,040	250,040	250,040	250,040	2,000,280
	f. 0502300 Caustic Expense		0	0	250,000	0	0	275,000	0	0	275,000	0	0	275,000	1,075,000
7	Net Expense (C)		414,923	388,504	578,708	252,325	287,529	1,041,634	828,048	844,743	1,069,562	813,345	769,745	1,022,104	8,311,169
8	Total System Recoverable Expenses (Lines 5 + 7)		\$456,919	\$430,501	\$620,705	\$294,322	\$329,525	\$1,083,631	\$870,045	\$886,739	\$1,111,559	\$855,341	\$811,742	\$1,064,101	\$8,815,131
	a. Recoverable Costs Allocated to Energy		456,919	430,501	620,705	294,322	329,525	1,083,631	870,045	886,739	1,111,559	855,341	811,742	1,064,101	8,815,131
	b. Recoverable Costs Allocated to Demand		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Energy Jurisdictional Factor		0.99147	0.99195	0.99091	0.99262	0.99299	0.99437	0.99447	0.99461	0.99480	0.99377	0.99298	0.99089	
10	Demand Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Retail Energy-Related Recoverable Costs (D)		453,020	427,036	615,064	292,149	327,215	1,077,531	865,235	881,956	1,105,784	850,014	806,047	1,054,409	8,755,460
12	Retail Demand-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)		\$ 453,020	\$ 427,036	\$ 615,064	\$ 292,149	\$ 327,215	\$ 1,077,531	\$ 865,235	\$ 881,956	\$ 1,105,784	\$ 850,014	\$ 806,047	\$ 1,054,409	\$ 8,755,460

Notes:

- (A) Line 3 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (B) Line 5 is reported on Capital Schedule
- (C) Line 7 is reported on O&M Schedule
- (D) Line 8a x Line 9
- (E) Line 8b x Line 10

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Form 42-4P
Page 6 of 11

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 10 of 44

Return on Capital Investments, Depreciation and Taxes
For Project: Effluent Limitation Guidelines CRN - Base (Project 15.1)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979	2,612,979
3	Less: Accumulated Depreciation	(491,975)	(502,657)	(513,339)	(524,021)	(534,703)	(545,385)	(556,067)	(566,749)	(577,431)	(588,113)	(598,795)	(609,477)	(620,159)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$2,121,004	\$2,110,322	\$2,099,640	\$2,088,958	\$2,078,276	\$2,067,594	\$2,056,912	\$2,046,230	\$2,035,548	\$2,024,866	\$2,014,184	\$2,003,502	\$1,992,820	
6	Average Net Investment		\$2,115,663	\$2,104,981	\$2,094,299	\$2,083,617	\$2,072,935	\$2,062,253	\$2,051,571	\$2,040,889	\$2,030,207	\$2,019,525	\$2,008,843	\$1,998,161	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	3,279	3,263	3,246	3,230	3,213	3,196	3,180	3,163	3,147	3,130	3,114	3,097	38,258
	b. Equity Component Grossed Up For Taxes	6.37%	11,226	11,169	11,112	11,056	10,999	10,942	10,886	10,829	10,772	10,716	10,659	10,602	130,968
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	4.9058%	10,682	10,682	10,682	10,682	10,682	10,682	10,682	10,682	10,682	10,682	10,682	10,682	128,184
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	3	3	3	3	3	3	3	3	3	3	3	3	36
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$25,190	\$25,117	\$25,043	\$24,971	\$24,897	\$24,823	\$24,751	\$24,677	\$24,604	\$24,531	\$24,458	\$24,384	297,446
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		25,190	25,117	25,043	24,971	24,897	24,823	24,751	24,677	24,604	24,531	24,458	24,384	297,446
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		25,190	25,117	25,043	24,971	24,897	24,823	24,751	24,677	24,604	24,531	24,458	24,384	297,445
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$25,190	\$25,117	\$25,043	\$24,971	\$24,897	\$24,823	\$24,751	\$24,677	\$24,604	\$24,531	\$24,458	\$24,384	\$297,445

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: NPDES - Intermediate (Project 16)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870	12,841,870
3	Less: Accumulated Depreciation	(4,248,714)	(4,287,693)	(4,326,672)	(4,365,651)	(4,404,630)	(4,443,609)	(4,482,588)	(4,521,567)	(4,560,546)	(4,599,525)	(4,638,504)	(4,677,483)	(4,716,462)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$8,593,156	\$8,554,177	\$8,515,198	\$8,476,219	\$8,437,240	\$8,398,261	\$8,359,282	\$8,320,303	\$8,281,324	\$8,242,345	\$8,203,366	\$8,164,387	\$8,125,408	
6	Average Net Investment		\$8,573,667	\$8,534,688	\$8,495,709	\$8,456,730	\$8,417,751	\$8,378,772	\$8,339,793	\$8,300,814	\$8,261,835	\$8,222,856	\$8,183,877	\$8,144,898	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	13,289	13,229	13,168	13,108	13,048	12,987	12,927	12,866	12,806	12,745	12,685	12,625	155,483
	b. Equity Component Grossed Up For Taxes	6.37%	45,492	45,285	45,078	44,871	44,664	44,458	44,251	44,044	43,837	43,630	43,423	43,217	532,250
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	3.642%	38,979	38,979	38,979	38,979	38,979	38,979	38,979	38,979	38,979	38,979	38,979	38,979	467,748
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.005360	5,736	5,736	5,736	5,736	5,736	5,736	5,736	5,736	5,736	5,736	5,736	5,736	68,832
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$103,496	\$103,229	\$102,961	\$102,694	\$102,427	\$102,160	\$101,893	\$101,625	\$101,358	\$101,090	\$100,823	\$100,557	1,224,313
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		\$103,496	\$103,229	\$102,961	\$102,694	\$102,427	\$102,160	\$101,893	\$101,625	\$101,358	\$101,090	\$100,823	\$100,557	1,224,313
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate)		0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	0.95212	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		98,541	98,286	98,031	97,777	97,523	97,269	97,014	96,759	96,505	96,250	95,996	95,742	1,165,692
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$98,541	\$98,286	\$98,031	\$97,777	\$97,523	\$97,269	\$97,014	\$96,759	\$96,505	\$96,250	\$95,996	\$95,742	\$1,165,692

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: MERCURY & AIR TOXIC STANDARDS (MATS) - CRYSTAL RIVER UNITS 4 & 5 - Energy (Project 17)
(In Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187	3,690,187
3	Less: Accumulated Depreciation	(1,054,218)	(1,069,304)	(1,084,390)	(1,099,476)	(1,114,562)	(1,129,648)	(1,144,734)	(1,159,820)	(1,174,906)	(1,189,992)	(1,205,078)	(1,220,164)	(1,235,250)	(1,235,250)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$2,635,969	\$2,620,883	\$2,605,797	\$2,590,711	\$2,575,625	\$2,560,539	\$2,545,453	\$2,530,367	\$2,515,281	\$2,500,195	\$2,485,109	\$2,470,023	\$2,454,937	
6	Average Net Investment		\$2,628,426	\$2,613,340	\$2,598,254	\$2,583,168	\$2,568,082	\$2,552,996	\$2,537,910	\$2,522,824	\$2,507,738	\$2,492,652	\$2,477,566	\$2,462,480	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	4,074	4,051	4,027	4,004	3,981	3,957	3,934	3,910	3,887	3,864	3,840	3,817	47,346
	b. Equity Component Grossed Up For Taxes	6.37%	13,946	13,866	13,786	13,706	13,626	13,546	13,466	13,386	13,306	13,226	13,146	13,066	162,072
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	4.9058%	15,086	15,086	15,086	15,086	15,086	15,086	15,086	15,086	15,086	15,086	15,086	15,086	181,032
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	4	4	4	4	4	4	4	4	4	4	4	4	48
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$33,110	\$33,007	\$32,903	\$32,800	\$32,697	\$32,593	\$32,490	\$32,386	\$32,283	\$32,180	\$32,076	\$31,973	390,498
	a. Recoverable Costs Allocated to Energy		33,110	33,007	32,903	32,800	32,697	32,593	32,490	32,386	32,283	32,180	32,076	31,973	390,498
	b. Recoverable Costs Allocated to Demand		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
10	Energy Jurisdictional Factor		0.99147	0.99195	0.99091	0.99262	0.99299	0.99437	0.99447	0.99461	0.99480	0.99377	0.99298	0.99089	
11	Demand Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
12	Retail Energy-Related Recoverable Costs (E)		\$32,827	\$32,741	\$32,604	\$32,558	\$32,468	\$32,410	\$32,310	\$32,211	\$32,115	\$31,980	\$31,851	\$31,682	\$387,757
13	Retail Demand-Related Recoverable Costs (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$32,827	\$32,741	\$32,604	\$32,558	\$32,468	\$32,410	\$32,310	\$32,211	\$32,115	\$31,980	\$31,851	\$31,682	\$387,757

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: COAL COMBUSTION RESIDUAL (CCR) RULE - Base (Project 18)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	4,321,533	
3	Less: Accumulated Depreciation (A)	(\$711,393)	(729,060)	(746,727)	(764,394)	(782,061)	(799,728)	(817,395)	(835,062)	(852,729)	(870,396)	(888,063)	(905,730)	(923,397)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$3,610,140	\$3,592,473	\$3,574,806	\$3,557,139	\$3,539,472	\$3,521,805	\$3,504,138	\$3,486,471	\$3,468,804	\$3,451,137	\$3,433,470	\$3,415,803	\$3,398,136	
6	Average Net Investment		\$3,601,307	\$3,583,640	\$3,565,973	\$3,548,306	\$3,530,639	\$3,512,972	\$3,495,305	\$3,477,638	\$3,459,971	\$3,442,304	\$3,424,637	\$3,406,970	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	5,582	5,555	5,527	5,500	5,472	5,445	5,418	5,390	5,363	5,336	5,308	5,281	65,177
	b. Equity Component Grossed Up For Taxes	6.37%	19,108	19,015	18,921	18,827	18,733	18,640	18,546	18,452	18,359	18,265	18,171	18,077	223,114
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	4.9058%	17,667	17,667	17,667	17,667	17,667	17,667	17,667	17,667	17,667	17,667	17,667	17,667	212,004
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.000014	5	5	5	5	5	5	5	5	5	5	5	5	60
	e. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$42,362	\$42,242	\$42,120	\$41,999	\$41,877	\$41,757	\$41,636	\$41,514	\$41,394	\$41,273	\$41,151	\$41,030	500,355
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		42,362	42,242	42,120	41,999	41,877	41,757	41,636	41,514	41,394	41,273	41,151	41,030	500,355
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		42,362	42,242	42,120	41,999	41,877	41,757	41,636	41,514	41,394	41,273	41,151	41,030	500,354
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$42,362	\$42,242	\$42,120	\$41,999	\$41,877	\$41,757	\$41,636	\$41,514	\$41,394	\$41,273	\$41,151	\$41,030	\$500,354

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: RECLAIMED WATER INTERCONNECTION - Peaking (Project 19)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$4,000	\$50,000	\$125,000	\$125,000	\$125,000	\$200,000	\$125,000	\$125,000	\$200,000	\$125,000	\$155,000	\$125,000	\$1,484,000
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	187,864	191,864	241,864	366,864	491,864	616,864	816,864	941,864	1,066,864	1,266,864	1,391,864	1,546,864	1,671,864	
5	Net Investment (Lines 2 + 3 + 4)	\$187,864	\$191,864	\$241,864	\$366,864	\$491,864	\$616,864	\$816,864	\$941,864	\$1,066,864	\$1,266,864	\$1,391,864	\$1,546,864	\$1,671,864	
6	Average Net Investment		\$189,864	\$216,864	\$304,364	\$429,364	\$554,364	\$716,864	\$879,364	\$1,004,364	\$1,166,864	\$1,329,364	\$1,469,364	\$1,609,364	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	294	336	472	666	859	1,111	1,363	1,557	1,809	2,061	2,278	2,495	15,301
	b. Equity Component Grossed Up For Taxes	6.37%	1,007	1,151	1,615	2,278	2,941	3,804	4,666	5,329	6,191	7,054	7,796	8,539	52,371
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	4.3678%	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.015193	0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$1,301	\$1,487	\$2,087	\$2,944	\$3,800	\$4,915	\$6,029	\$6,886	\$8,000	\$9,115	\$10,074	\$11,034	67,672
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		1,301	1,487	2,087	2,944	3,800	4,915	6,029	6,886	8,000	9,115	10,074	11,034	67,672
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Peaking)		0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	0.97632	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		1,270	1,452	2,038	2,874	3,710	4,799	5,886	6,723	7,811	8,899	9,835	10,773	66,069
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$1,270	\$1,452	\$2,038	\$2,874	\$3,710	\$4,799	\$5,886	\$6,723	\$7,811	\$8,899	\$9,835	\$10,773	\$66,069

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projection Amount
January 2025 - December 2025

Return on Capital Investments, Depreciation and Taxes
For Project: CCC Water Treatment System - Base (Project 21)
(in Dollars)

Line	Description	Beginning of Period Amount	Estimated Jan-25	Estimated Feb-25	Estimated Mar-25	Estimated Apr-25	Estimated May-25	Estimated Jun-25	Estimated Jul-25	Estimated Aug-25	Estimated Sep-25	Estimated Oct-25	Estimated Nov-25	Estimated Dec-25	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$150,000	\$250,000	\$250,000	\$200,000	\$150,000	\$100,000	\$0	\$0	\$0	\$0	\$1,100,000
	b. Clearings to Plant		0	0	0	0	0	0	0	2,919,333	0	0	0	0	
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	2,919,333	2,919,333	2,919,333	2,919,333	2,919,333	
3	Less: Accumulated Depreciation (A)	0	0	0	0	0	0	0	0	0	(12,513)	(25,026)	(37,539)	(50,052)	
4	CWIP - Non-Interest Bearing	1,819,333	1,819,333	1,819,333	1,969,333	2,219,333	2,469,333	2,669,333	2,819,333	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	<u>\$1,819,333</u>	<u>\$1,819,333</u>	<u>\$1,819,333</u>	<u>\$1,969,333</u>	<u>\$2,219,333</u>	<u>\$2,469,333</u>	<u>\$2,669,333</u>	<u>\$2,819,333</u>	<u>\$2,919,333</u>	<u>\$2,906,820</u>	<u>\$2,894,307</u>	<u>\$2,881,794</u>	<u>\$2,869,281</u>	
6	Average Net Investment		\$1,819,333	\$1,819,333	\$1,894,333	\$2,094,333	\$2,344,333	\$2,569,333	\$2,744,333	\$2,869,333	\$2,913,077	\$2,900,564	\$2,888,051	\$2,875,538	
7	Return on Average Net Investment (B)														
	a. Debt Component	1.86%	2,820	2,820	2,936	3,246	3,634	3,982	4,254	4,447	4,515	4,496	4,476	4,457	46,083
	b. Equity Component Grossed Up For Taxes	6.37%	9,653	9,653	10,051	11,112	12,439	13,633	14,561	15,225	15,457	15,390	15,324	15,258	157,756
	c. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	5.1437%	0	0	0	0	0	0	0	0	12,513	12,513	12,513	12,513	50,052
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	d. Property Taxes (D)	0.000014	0	0	0	0	0	0	0	0	0	0	0	0	
	e. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	
9	Total System Recoverable Expenses (Lines 7 + 8)		\$12,473	\$12,473	\$12,987	\$14,358	\$16,073	\$17,615	\$18,815	\$19,672	\$32,485	\$32,399	\$32,313	\$32,228	253,891
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		12,473	12,473	12,987	14,358	16,073	17,615	18,815	19,672	32,485	32,399	32,313	32,228	253,891
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
12	Retail Energy-Related Recoverable Costs (E)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Retail Demand-Related Recoverable Costs (F)		12,473	12,473	12,987	14,358	16,073	17,615	18,815	19,672	32,485	32,399	32,313	32,228	253,891
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		<u>\$12,473</u>	<u>\$12,473</u>	<u>\$12,987</u>	<u>\$14,358</u>	<u>\$16,073</u>	<u>\$17,615</u>	<u>\$18,815</u>	<u>\$19,672</u>	<u>\$32,485</u>	<u>\$32,399</u>	<u>\$32,313</u>	<u>\$32,228</u>	<u>\$253,891</u>

Notes:

- (A) N/A
- (B) Line 6 x 8.23% x 1/12. Based on ROE 10.30%, weighted cost of equity component of capital structure of 4.69% and statutory tax rate of 25.345% (inc tax multiplier = 1.3394950).
- (C) Line 2 x rate x 1/12. Depreciation rate based on Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
- (D) Line 2 x rate x 1/12. Based on 2023 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 1 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 16 of 44

Project Title: Substation Environmental Investigation, Remediation and Pollution Prevention
Project No. 1

Project Description:

Chapter 376 Florida Statutes requires that any person discharging a prohibited pollutant shall undertake to contain, remove and abate the discharge to the satisfaction of the FDEP. Similarly, Chapter 403 Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For DEF to comply with these statutes, it is actively conducting remediation and pollution prevention activities at its substation sites to remove the existence of pollutant discharges. Activities also include development and implementation of best management and pollution prevention measures at these sites.

Project Accomplishments:

The remediation portion of the Substation Assessment and Remedial Action Plan has been completed for all of the 279 SARAP substation sites. The Amended Deed Restrictive Covenant ("DRC") for West Lake Wales Substation has been approved by FDEP. The proposed DRC for Central Florida Substation submitted for approval to FDEP in July 2020. Project is complete as of first quarter 2021.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

This project is complete as of 1st quarter 2021.

Project Projections:

No further charges are expected to hit this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 2 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 17 of 44

Project Title: Distribution System Environmental Investigation, Remediation and Pollution Prevention
Project No. 2

Project Description:

Chapter 376 Florida Statutes requires that any person discharging a prohibited pollutant shall undertake to contain, remove and abate the discharge to the satisfaction of the FDEP. Similarly, Chapter 403 Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For DEF to comply with these statutes, it is actively conducting remediation and pollution prevention activities at its distribution sites to remove the existence of pollutant discharges. Activities also include development and implementation of best management and pollution prevention measures at these sites.

Project Accomplishments:

All TRIP sites source removals are completed. The Final TRIP has been completed and the NAM report submitted to FDEP 4-4-19.

Project Fiscal Expenditures:

No further charges are expected to hit this project.

Project Progress Summary:

This project is complete.

Project Projections:

No further charges are expected to hit this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 3 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 18 of 44

Project Title: Pipeline Integrity Management (PIM) - Bartow/Anclote Pipeline
Project No. 3

Project Description:

The U.S. Department of Transportation (USDOT) Regulation 49 CFR Part 195, as amended effective 2/15/02, and the new regulation published at 67 Federal Register 2136 on 1/16/02, requires DEF to implement a PIM program. Prior to the 2/15/02 amendments, the USDOT's PIM regulations applied only to operators with 500 miles or more of hazardous liquid and carbon dioxide pipelines that could affect high consequence areas. The amendments which became effective on 2/15/02, extended the requirements for implementing integrity management to operators who have less than 500 miles of regulated pipelines. As such, DEF must maintain the integrity of pipeline systems in order to protect public safety and the environment, and comply with continual assessment and evaluation of pipeline systems integrity through inspection or testing, data integration and analysis, and follow up with remedial, preventative, and mitigative actions. DEF owns one hazardous liquid pipeline, Bartow/Anclote 14-inch hot oil pipeline, extending 33.3 miles from the Company's Bartow Plant north of St. Petersburg to the Anclote Plant in Holiday, that is subject to PIM regulations.

Effective 2/2010, amendments to 49 CFR 195 were finalized to improve opportunities to reduce risk through more effective control of pipelines. Compliance with these amendments will enhance pipeline safety by coupling strengthened control room management with improved controller training and fatigue management. On 6/16/11, the USDOT published in the Federal Register (Vol. 76, 35130-35136), a final rule effective 8/15/11, that expedites the program implementation deadlines in the Control Room Management/Human Factors regulations in order to realize the safety benefits sooner than established in the original rule. This final rule amends the program implementation deadlines for different procedures to no later than 10/21/11 and 8/1/12.

Project Accomplishments:

Since the Bartow Anclote Pipeline (BAP) contained a small quantity of #6 fuel oil, the PIM program under 49CFR195 continues to be maintained. Third party projects by Florida Department of Transportation (FDOT), Florida Gas Transmission, Pinellas County, The City of Pinellas Park, and others have been evaluated for their risk to BAP integrity. Risk mitigation measures have been completed per 49CFR195.450. The BAP Risk Analysis has been updated. The Annual Report and National Pipeline Mapping System (NPMS) annual review have been completed. Reviews and evaluations are also being completed for Advisory Bulletins 11-04, 13-02, 15-01, and 15-02, relating to flooding and hurricanes. BAP personnel have participated in US Department of Transportation Pipeline and Hazardous Material Safety Administration (PHMSA), utility owners groups, damage prevention groups, and FDOT workshops and training. Pipeline accidents and PHMSA enforcement actions have been reviewed for conditions that are applicable to the BAP and appropriate changes to BAP practices and procedures have been implemented. Pipeline records are being organized and stored with the conversion to electronic storage now essentially complete.

In 2016, pipeline ownership was transferred from the Fossil Hydro Operations group to Plant Retirement and Demolition, in preparation for pipeline retirement that is expected to occur in 2016. Once retired, the pipeline will be cleaned to remove any remaining oil. Once cleaned, the requirements described above in the PIM program will no longer be required. Cleaning is expected to occur in 2016, with any required demolition activities in 2017. As of the end of 2016, three of the four sub-projects were retired and approved to be amortized over three years - Project 3.1b Pipeline Leak Detection, Project 3.1c Pipeline Controls Upgrade, and Project 3.1d Control Room Management.

The final sub-project 3.1a - Alderman Road Fence was retired June 2017 and approved as a regulatory asset. This was amortized over 26 months, and all four parts of this project are fully amortized as of September 2019.

Project Fiscal Expenditures:

No capital or O&M expenditures are estimated for this project.

Projects 3.1b (Pipeline leak Detection), 3.1c (Pipeline Controls Upgrade), and 3.1d (Control Room Management) were retired August 2016. Project 3.1a (Alderman Road Fence) retired June 2017. All are fully amortized as of September 2019.

Project Projections:

No capital or O&M expenditures are estimated for this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 4 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 19 of 44

Project Title: Above Ground Storage Tank Secondary Containment
Project No. 4

Project Description:

FDEP Rule 62-761.510(3) states that DEF is required to make improvements to its above ground petroleum storage tanks in order to comply with those provisions. Subsection (d) of the rule requires all internally lined single bottom above ground storage tanks to be upgraded with secondary containment, including secondary containment for piping in contact with the soil. Rule 62-761.500(1)(e) also requires that dike field area containment for pre-1998 tanks be upgraded, if needed, to comply with the requirement.

Project Accomplishments:

DEF has completed work at Debary 1 and 2, Turner 7, Turner 8, Higgins 1, and Bartow 6 as well as Turner P-1 and P-2 piping work.

Project Fiscal Expenditures:

No ECRC project expenditures are expected for this project.

Project Progress Summary:

DEF continually evaluates its compliance program, including project prioritization, schedule and technology applications. Project 4.1a (Turner CTs) retired in March 2016.

Project was moved to base rates as of January 2022, per Order No. PSC-2021-0202-AS-EI.

Project Projections:

No ECRC project expenditures are expected for this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 5 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 20 of 44

Project Title: SO₂ and NO_x Emissions Allowances
Project No. 5

Project Description:

In accordance with the Acid Rain Program in Title IV of the Clean Air Act, CFR 40 Part 73 and Part 76, Florida Administrative Code Rule 62-214 and the Clean Air Interstate Rule (CAIR), DEF manages sulfur dioxide (SO₂) and nitrogen oxide (NO_x) allowance inventory to offset emissions. On 7/6/11, the EPA issued the Cross-State Air Pollution Rule (CSAPR) to replace the CAIR. The CSAPR significantly alters SO₂ and NO_x allowance programs. Under the CAIR, Florida has to comply with annual SO₂ and NO_x emission requirements, and seasonal NO_x emission requirements. Under the CSAPR, Florida is no longer required to comply with annual emissions requirements, only ozone seasonal limits. On 8/8/11, the final CSAPR was published in the Federal Register. The CSAPR sets state-level annual and seasonal SO₂ and NO_x emission allowance requirements effective 1/1/12.

On 8/21/12, the D.C. Circuit Court vacated the CSAPR. It also directed the EPA to continue administering the CAIR which requires additional reductions in SO₂ and NO_x emissions beginning in 2015. On 4/29/14, the U.S. Supreme Court reversed the D.C. Circuit Court decision finding that with CSAPR the EPA reasonably interpreted the good neighbor provision of the Clean Air Act. The case was then remanded to the D.C. Circuit Court for further proceedings, and the EPA requested the court lift the CSAPR stay and direct it to take effect on 1/1/15. On 10/23/14 the D.C. Circuit Court lifted the CSAPR stay. On 1/1/15, the CSAPR replaced the CAIR. The CSAPR took effect in Florida on 5/1/15. Consequently, CAIR NO_x emission allowances have no value; however, SO₂ emission allowances can continue to be used to comply with the Acid Rain Program. DEF treated its unused NO_x costs as a regulatory asset amortizing it over 3 years, as approved by the Commission in Order No. PSC-2011-0553-FOF-EI. These are fully recovered as of December 2017.

Project Accomplishments:

Air quality compliance costs are administered by an authorized account representative who evaluates a variety of resources and options. Activities performed include purchases of SO₂ and NO_x emissions allowances as well as auctions and transfers of SO₂ emissions allowances.

Project Fiscal Expenditures:

2024 O&M is forecasted to be \$17k.

Project Progress Summary:

DEF continually evaluates the status of emission rules to maximize the cost effectiveness of its compliance strategy.

Project Projections:

2025 O&M expenditures are projected to be \$8k.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 6 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 21 of 44

Project Title: Phase II Cooling Water Intake
Project No. 6

Project Description:

Section 316(b) of the Federal Clean Water Act requires that the location, design, construction, and capacity of cooling water intake structures reflect the best technology available for minimizing adverse environmental impact. 33 U.S.C. Section 1326. On 5/19/14, the EPA Administrator signed a final 316(b) rule to protect fish and aquatic life drawn into cooling systems at power plant and factories. The rule aims to minimize impingement (aquatic life pinned against cooling water intake structures) and entrainment (aquatic life drawn into cooling water systems). The regulation became effective on October 14, 2014, 60 days after publication in the Federal Register which was 8/15/14.

EPA's regulation implementing §316(b) of the Clean Water Act for existing facilities was published on August 15, 2014. The regulation aims to minimize adverse environmental impacts to fish and other aquatic organisms from the operation of cooling water intake structures. The regulation became effective October 14, 2014, 60 days after publication in the Federal Register. The regulation primarily applies to existing power generating facilities that commenced construction prior to or on January 17, 2002 and to new units at existing facilities that are built to increase the generating capacity of the facility.

According to the current 316(b) rule, required studies and information submittals will be due with the renewal of the NPDES permit application for permits that expire after July 18, 2018. Permittees with a current NPDES permit that expires before July 18, 2018 may request the FDEP establish an alternative schedule for submitting the required information. This rule is applicable to Anclote, Bartow, Suwannee, and Crystal River North stations.

Project Accomplishments:

DEF is currently evaluating the 316(b) rule to determine potential study requirements, operating and cost impacts to its generating stations. Site specific strategic plans, studies, and implementation plans are under development to ensure compliance with all applicable requirements of the rule.

Project 6, 316(b) - Crystal River is in-service as of December 2022.

Project 6.1, 316(b) - Bartow - commenced in 2023.

Project Fiscal Expenditures:

2024 O&M expenditures are estimated to be \$389k. 2024 Capital expenditures are estimated to be \$493k for Project 6.1 (Bartow Base).

Project Progress Summary:

Required 316(b) reports have been finalized and with the NPDES permit renewal applications to FDEP for review and approval.

Project Projections:

2025 estimated O&M expenditures are \$606k, and capital \$960k.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 7 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 22 of 44

Project Title: Integrated Clean Air Compliance Plan - Clean Air Interstate Rule (CAIR)
Project Nos. (7.2, 7.3, 7.4 & 7.6)

Project Description:

The Clean Air Interstate Rule (CAIR), 40 CFR 24, 262, imposes significant restrictions on emissions of SO₂ and NO_x from power plants in 28 eastern states, including Florida and the District of Columbia. The CAIR rule apportions region-wide SO₂ and NO_x emission reduction requirements to the individual states, and further requires each affected state to revise its State Implementation Plans (SIPs) to include measures necessary to achieve its emission reduction budget within prescribed deadlines.

The Cross-State air pollution Rule (CSAPR) replaced CAIR on 1/1/15. Under the CSAPR, the State of Florida is no longer required to comply with annual emission requirements, only NO_x ozone seasonal limits. The CSAPR requirements took effect in Florida on 5/1/15, the beginning of the ozone season. NO_x emission allowances under CAIR have no value; however, DEF will continue to use its SO₂ emission allowances to comply with the Acid Rain Program. (see Project No. 5 - SO₂ and NO_x Emission Allowances Project Sheet for more information).

The Florida Department of Environmental Protection ("FDEP") Conditions of Certification, dated August 1, 2012, require DEF to evaluate an alternative disposal method of FGD Blowdown wastewater based on results of groundwater monitoring near percolation ponds. DEF is installing a physical/chemical treatment system to treat FGD Blowdown wastewater with discharge to surface water or percolation ponds.

In March of 2004, the EPA promulgated National Emission Standards for Hazardous Air Pollutants ("NESHAP") for stationary combustion turbines ("CTs") that are located at major sources of hazardous air pollutants ("HAPs") and are constructed after January 14, 2003. The NESHAP, subpart YYYYY, implements section 112(d) of the Clean Air Act ("CAA") by requiring all major combustion turbine sources to meet HAP emission standards reflecting the application of the maximum achievable control technology ("MACT"). In August 2004, EPA stayed the effectiveness of the rule for the lean premix and diffusion flame gas-fired sub-categories of stationary combustion turbines. EPA concluded that a stay was necessary to avoid unnecessary expenditures on compliance as they evaluated a delisting petition for these two sub-categories of turbines.

On March 9, 2022, the EPA published in the Federal Register, at 87 Fed. Reg. 13,183, a final rule to remove the stay for natural gas-fired stationary CTs. As a result of the final rule, lean premix and diffusion flame gas-fired turbines that were constructed or reconstructed at major sources of HAP emissions after January 14, 2003, must comply with emission and operating limitations beginning March 9, 2022, or upon startup of future affected units. Owners/operators will then have 180 days to demonstrate compliance with the formaldehyde standard, i.e., September 5, 2022. See 40 C.F.R. §63.6110(a).

Project Accomplishments:

The FGD Wastewater treatment (WWT) system went in-service February 2019.

All projects except 7.4 CAIR/CAMR Crystal River - Energy (Reagents) have been moved to base rates as of January 2022, as approved in Order No. PSC-2021-0202-AS-EI.

Project Fiscal Expenditures:

For 2024, the CAIR/CAMR Crystal River Program (Project 7.4), O&M is forecasted be 7.9M. Project 7.6 NESHAP O&M is forecasted to be \$21k.

Project Progress Summary:

DEF continues to comply with the CAIR, CSAPR and the Acid Rain Program.

Project Projections:

2025 estimated O&M expenditures are \$8.3M for Reagents, and \$25k O&M for NESHAP.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 8 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 23 of 44

Project Title: Best Available Retrofit Technology (BART)
Project No. 7.5

Project Description:

On 5/25/12, the EPA proposed a partial disapproval of Florida's proposed Regional Haze State Implementation Plan (SIP) because the proposed SIP relies on CAIR to satisfy BART requirements for SO₂ and NO_x emissions. CAIR remained in effect while litigation against the Cross State Air Pollution Rule (CSAPR) proceeded, and the EPA incorporated the CSAPR in place of CAIR into Regional Haze SIPs, including Florida. DEF worked with the FDEP to develop specific BART and Reasonable Progress permits for affected units that were incorporated into Florida's revised SIP submittal, which was filed with EPA on 9/17/12. The final BART permit applications for Crystal River fossil units were submitted to EPA on 10/15/12 as a supplement to the 9/17/12 submittal. Permitting was finalized in 2013 with an effective date of January 1, 2014.

Project Accomplishments:

DEF performed required emissions modeling and associated BART analysis for Crystal River 1&2 (CR1&2) and Anclote plants, developed and submitted a Reasonable Progress evaluation for Crystal River 4&5, developed and submitted necessary BART Implementation Plans and air construction permit applications in support of the FDEP's work to amend its SIP as directed by the EPA. Permitting actions were completed in 2013 with the effective date of the CR 1& 2 permit being January 1, 2014.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

DEF performed required emissions modeling and associated BART analysis for CR1&2 and Anclote, developed and submitted a Reasonable Progress evaluation for Crystal River 4&5, developed and submitted necessary BART Implementation Plans and air construction permit applications needed in support of the FDEP ongoing work to amend its State Implementation Plan as directed by the EPA. Based on the revised Regional Haze SIP incorporating the provisions of Crystal River's BART permits for SO₂ and NO_x, EPA on 12/10/12 proposed approval of the SIP. In August 2013, EPA finalized the full approval of the SIP. The Crystal River South BART permit became effective on January 1, 2014 and DEF is now operating under the terms of that permit.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 9 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 24 of 44

Project Title: Arsenic Groundwater Standard
Project No. 8

Project Description:

On 12/22/01, the EPA adopted a new maximum contaminant level (MCL) for arsenic in drinking water replacing the previous standard of 0.050 mg/L (50 ppb) with a new MCL of 0.010 mg/L (10 ppb). Effective 1/1/05, the FDEP established the USEPA MCL as Florida's drinking water standard. See Rule 62-550 F.A.C. The new standard has compliance implications for land application and water reuse projects in Florida with arsenic ground water monitoring levels above 10 ppb because the drinking water standard has been established as the groundwater standard by Rule 62-520-420(1), F.A.C.

Project Accomplishments:

A Plan of Study (POS) to evaluate the source of arsenic at the site was implemented on November 2011. A POS Addendum that included a leachability study and proposed abandoning one well and installing 3 new wells was implemented in February 2012. An additional Flue Gas Desulfurization (FGD) Wastewater Treatment Study was conducted in May 2013. The results of these studies indicated that Arsenic is naturally occurring in some areas but there is also a contribution from the FGD discharge from the lined treatment pond to the percolation ponds, and from the industrial wastewater from Crystal River Units 1 & 2. These sources are being addressed by the construction of a new FGD wastewater treatment system and retirement of Units 1 & 2, both scheduled to be completed by December 31, 2018.

Additional assessment was initiated in 2016 around the area of ground water wells still exceeding the Arsenic standard of 10 ppb with no clear source of Arsenic identified (MWC-1, MWC-31 and MWC-32). This additional assessment indicated that the source of Arsenic around MWC-31 is related to the former North Ash Pond that was located in that area. Based on that finding, the Consent Order was amended to address that area under 62-780, F.A.C. Remedial Actions, which included additional assessment and submittal of a final assessment report to FDEP in 2018. Results from MWC-1 assessment indicate that the well is not measuring impacts from the industrial wastewater activities at the site and DEF requested to FDEP that the well be replaced by one of the Plan of Study wells. FDEP requested the sampling of all the wells around MWC-1 for a year prior to approval of the change.

Project Fiscal Expenditures:

2024 O&M expenditures are expected to be \$24k.

Project Progress Summary:

Continuation of groundwater monitoring, analysis and reporting of results to FDEP.

Project Projections:

2025 O&M expenditures are forecasted to be \$58k.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 10 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 25 of 44

Project Title: Sea Turtle - Coastal Street Lighting
Project No. 9

Project Description:

DEF owns and leases high pressure sodium streetlights throughout its service territory, including areas along the Florida coast. Pursuant to Section 161.163, Florida Statutes, the FDEP, in collaboration with the Florida Fish and Wildlife Conservation Commission (FFWCC) and the U.S. Fish & Wildlife Service (USFWS), has developed a model Sea Turtle lighting ordinance. The model ordinance is used by the local governments to develop and implement ordinances within its jurisdiction. To date, Sea Turtle lighting ordinances have been adopted in Franklin County, Gulf County, City of Mexico Beach in Bay County and Pinellas County, all of which are within DEF's service territory. Since 2004, officials from the various local governments, as well as the FDEP, FFWC, and USFWS, have advised DEF that lighting it owns and leases is affecting turtle nesting areas that fall within the scope of these ordinances. As a result, local governments require DEF to take additional measures to satisfy new criteria being applied to ensure compliance with the sea turtle ordinances.

Project Accomplishments:

DEF continues to work with Franklin County, Gulf County, City of Mexico Beach in Bay County, and Pinellas County to mitigate any potential sea turtle nesting issues by retrofitting existing street lights, placing amber shields on existing HPS street lights and monitoring street lights for effectiveness in complying with sea turtle ordinances.

Project Fiscal Expenditures:

No further ECRC project expenditures are expected for this project.

Project Progress Summary:

DEF is on schedule with activities identified for this program.

This project was moved to base rates as of January 2022, as approved in Order No. PSC-2021-0202-AS-EI.

Project Projections:

No further ECRC project expenditures are expected for this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 11 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 26 of 44

Project Title: **Underground Storage Tanks**
Project No. 10

Project Description:

FDEP regulations require that underground pollutant storage tanks and small diameter piping be upgraded with secondary containment by 12/31/09. See Rule 62-761.510(5), F.A.C. DEF identified four tanks that must comply with this rule: two at Crystal River Plant and two at Bartow Plant.

Project Accomplishments:

Work on Crystal River and Bartow USTs was completed in 4th Qtr 2006.

Project Fiscal Expenditures:

No ECRC project expenditures are expected for this project.

Project Progress Summary:

DEF continually evaluates its compliance program, including project prioritization, schedule and technology applications.

This project was moved to base rates as of January 2022, as approved in Order No. PSC-2021-0202-AS-EI.

Project Projections:

No ECRC project expenditures are expected for this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 12 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 27 of 44

Project Title: **Modular Cooling Towers**
Project No. 11

Project Description:

This project involves installation and operation of modular cooling towers in the summer months to minimize de-rates of Crystal River 1&2 (CR1&2) necessary to comply with the NPDES permit limit for the temperature of cooling water discharged from the units.

Project Accomplishments:

Vendors of modular cooling towers were evaluated regarding cost of installation and operation. The FDEP reviewed the project and approved operation. A vendor was selected and the towers were installed during the 2nd Qtr 2006.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

The modular cooling towers began operation in June 2006 and successfully minimized de-rates of CR 1&2. The towers were removed during the first half of 2012. This project is complete.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 13 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 28 of 44

Project Title: Crystal River Thermal Discharge Compliance Project
Project No. 11.1

Project Description:

This project was to evaluate and implement the best long term solution to maintain compliance with the thermal discharge limit in the FDEP industrial wastewater permit for Crystal River Units 1,2&3 that was being addressed in the short term by the Modular Cooling Towers approved in Docket No. 20060162-EI. Due to DEF's decision to retire CR3, this project is no longer necessary and will not be implemented.

Project Accomplishments:

The study phase of the project was completed with a recommendation to replace the leased modular cooling towers in coordination with the cooling solution for the CR3 Extended Power Uprate (EPU) discharge canal cooling solution. The new cooling tower associated with the CR3 EPU was to be sized to mitigate both increased temperatures from the EPU as well as replace the modular cooling towers, which were removed in 2012. The design contract for the CR3 EPU cooling tower was awarded and a vendor selected. In February 2013, DEF decided to retire CR3; therefore, the project will not proceed.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

Crystal River Units 1,2&3 utilize a once-through cooling water process to cool and condense turbine exhaust steam back to water. The cooling water is removed from the Gulf of Mexico via an intake canal and discharged to a common discharge canal shared by all of the generating units. DEF has a NPDES industrial wastewater permit from the FDEP to discharge this cooling water from CR 1,2&3 into the Gulf of Mexico. The FDEP NPDES permit includes a limit on the temperature of the cooling water discharge (96.5 degrees Fahrenheit on a three-hour rolling average) measured at the point of discharge to the Gulf of Mexico. The new cooling towers were being added as a long term solution to the issue of higher ambient water temperatures previously being addressed by the modular cooling towers and added heat rejection due to the estimated 180MW Uprate of CR3. With the retirement of CR3, the heat rejection associated with the entire unit is removed and therefore the new cooling tower is not necessary for the continued operation of CR 1&2 within the NPDES permit limits.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 14 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 29 of 44

Project Title: Greenhouse Gas (GHG) Inventory and Reporting
Project No. 12

Project Description:

The GHG Inventory and Reporting Program was created in response to Chapter 2008-277, Florida Laws, which established the Florida Climate Protection Act to be codified at section 403.44, Florida Statutes. Among other things, this legislation authorizes the FDEP to establish a cap and trade program for GHG emissions from power plants. Utilities subject to the program, including DEF, will be required to use The Climate Registry for purposes of GHG emission registration and reporting. The requirement to report to The Climate Registry was repealed during the 2010 legislative session; however, the EPA GHG Reporting Rule (40 CFR 98) does require DEF to submit 2010 GHG data to the EPA no later than 9/30/2011.

Project Accomplishments:

In 2009, DEF joined The Climate Registry and submitted 2008 GHG inventory data. 2009 data was submitted during the third quarter of 2010. Both 2008 and 2009 data was validated by a third party as required by The Climate Registry. 2010 GHG inventory data was submitted to EPA on 9/30/11 and EPA does not require data validation by a third party. DEF has discontinued its membership with The Climate Registry. Since third party validation is not required by the EPA, no future expenditures will be incurred by DEF, resulting in the completion of this project.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

DEF submits GHG inventory data directly to EPA which does not require third party validation. Membership with The Climate Registry has been discontinued.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 15 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 30 of 44

Project Title: Mercury Total Daily Maximum Loads Monitoring (TMDL)
Project No. 13

Project Description:

Section 303(d) of the Federal Clean Water Act requires each state to identify state waters not meeting water quality standards and establish a TMDL for the pollutant or pollutants causing the failure to meet standards. Under a 1999 federal consent decree, TMDLs for over 100 Florida water bodies listed as impaired for mercury must be established by 9/12/12. The FDEP has initiated a research program to provide necessary information for setting appropriate TMDLs for mercury. Among other things, the study will assess the relative contributions of mercury-emitting sources, such as coal-fired power plants, to mercury levels in surface waters.

Project Accomplishments:

Atmospheric & Environmental Research, Inc (AER) completed the literature review on mercury deposition in Florida. This document was sent to the FDEP Division of Air Resource Management and the TMDL team for review in February 2009. In addition, the Florida Electric Power Coordinating Group (FCG) Mercury Task Force met with FDEP Division of Air Resource Management to discuss the review in January 2010. AER performed Florida mercury deposition modeling for the Division of Air Resource Management. The FCG Mercury Task Force contracted with Tetra Tech to conduct aquatic field sampling, including an aquatics modeling report, to develop a "Conceptual Model for the Florida Mercury TMDL." This document was finalized and submitted to the FDEP in December 2010. Key personnel from AER were employed by Environ in 2011 and FCG established a contract with Environ to ensure continuity of the project. FCG used Environ and Tetra Tech to review and critique FDEP's aquatic cycling and atmospheric modeling analyses. The FDEP developed a mercury TMDL report in the spring and summer of 2012, and it proposed a TMDL in September 2012. The EPA approved Florida's statewide mercury TMDL in a letter dated October 18, 2013. Florida's mercury TMDL covers 441 waters listed as impaired for mercury based on fish tissue mercury levels. EPA's approval letter states that if FDEP identifies any new waters to be listed as impaired for mercury, a new TMDL will not be required if the listing is caused by the factors addressed in the approved TMDL. Conversely, a new TMDL, addressing the newly listed water body, would be required if "local emission or effluent sources" are determined to be the cause of the elevated fish tissue levels that required the new listing.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

The mercury TMDL study concluded in 2012.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 16 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 31 of 44

Project Title: Hazardous Air Pollutants (HAPs) ICR Program
Project No. 14

Project Description:

In 2009, the EPA initiated efforts to develop an Information Collection Request (ICR), which requires that owners/operators of all coal- and oil-fired electric utility steam generating units provide information that will allow the EPA to assess emissions of hazardous air pollutants from each such unit. The intention of the ICR is to assist the Administrator of the EPA in developing national emission standards for hazardous air pollutants under Section 112(d) of the Clean Air Act, 42 U.S.C. 7412. Pursuant to those efforts, by letter dated 12/24/09, the EPA formally requested DEF comply with certain data collection and emissions testing requirements for several of its steam electric generating units. The EPA letter states that initial submittal of existing information must be made within 90 days, and that the remaining data must be submitted within 8 months. Collection and submittal of the requested information is mandatory under Section 114 of the Clean Air Act, 42 U.S.C. 7414.

Project Accomplishments:

DEF completed and submitted the ICR to EPA during 2010. The HAPS ICR project is complete.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

DEF completed and submitted the ICR to EPA during 2010.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 17 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 32 of 44

Project Title: Effluent Limitation Guidelines ICR Program
Project No. 15

Project Description:

The Effluent Limitation Guidelines ICR Program was created in response to Section 304 of the Federal Clean Water Act which directs the EPA to develop and periodically review regulations, called effluent guidelines, to limit the amount of pollutants that are discharged to surface waters from various point source categories. 33 U.S.C. §13 14(b). In October 2009, the EPA announced that it intended to update the effluent guidelines for the steam electric power generating point source category, which were last updated in 1982. DEF is required to complete the ICR and submit responses to the EPA within 90 days. Collection and submittal of the requested information is mandatory under Section 308 of the Clean Water Act.

Project Accomplishments:

DEF completed and submitted the ICR to the EPA in September 2010. The Effluent Limitation Guidelines ICR Program is complete.

Project Fiscal Expenditures:

This project is complete, no further charges are expected.

Project Progress Summary:

DEF completed and submitted the ICR to EPA in September 2010.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 18 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 33 of 44

Project Title: Effluent Limitation Guidelines CRN Program
Project No. 15.1

Project Description:

On September 30th, 2015, U.S. Environmental Protection Agency finalized the Steam Electric Power Generating Effluent Guidelines, 40 CFR Part 423, imposing federal standards on several power plant streams that are discharged to surface water. In the final regulation, closed-loop systems or dry handling have been identified as the Best Available Technology ("BAT") for bottom ash transport water. Crystal River North Units 4 & 5 have a dry bottom ash system that utilizes dewatering bins for separation of bottom ash and water. However, the current configuration has the potential for bottom ash transport water to leave via overflows and drain into an NPDES internal outfall. Achieving the closed loop bottom ash compliance requirement is as soon as possible beginning November 1, 2018 but no later than December 31, 2023. Renewal of the Crystal River Units 4 & 5 NPDES permit is in progress and addresses this requirement.

Project Accomplishments:

DEF Initiated the first phase of ELG compliance activities necessary to comply with NPDES permit renewal. The remaining project scope is still on hold pending EPA Administrative Stay final decision.

Project Fiscal Expenditures:

There are no 2024 estimated expenditures for this project.

Project Progress Summary:

This project was placed in-service June 2020.

Project Projections:

This project is complete, no further charges are expected.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 19 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 34 of 44

Project Title: National Pollutant Discharge Elimination System (NPDES)
Project No. 16

Project Description:

Pursuant to the Federal Clean Water Act, 33 U.S.C. § 1342, all point source discharges to navigable waters from industrial facilities must obtain permits under the NPDES Program. The FDEP administers the NPDES program in Florida. DEF's Anclote, Bartow, and Crystal River North, Crystal River South, and Suwannee NPDES permits were issued on 11/25/2015, 1/5/2016, 7/18/11, 4/7/2014, and 10/6/2016, respectively. Crystal River North NPDES permit is in the renewal process. All facilities are required to meet new permitting conditions. In Docket No. 20110007-EI, the Commission approved recovery of costs associated with new requirements included or expected to be included in the new renewal permits, including: thermal studies, aquatic organism return studies and implementation, whole effluent toxicity (WET) testing, dissolved oxygen (DO) studies (Bartow only), and freeboard limitation related studies (Bartow only). As noted in DEF's 2/8/12 program update, on 12/14/11, the FDEP issued a final NPDES renewal permit and associated Administrative Order (AO) for the Suwannee Plant. The AO includes a new requirement to assess copper discharges that DEF did not anticipate when it filed its petition in 2011.

Project Accomplishments:

DEF continues to perform whole effluent toxicity testing, implementing initial 316(b) rule requirements based on NPDES permit schedules at affected facilities which includes literature review and analysis, additional field study, and reporting requirements in accordance to NPDES permit requirements. Bartow freeboard limitation study was completed in May 2011 and submitted to FDEP on 6/23/11. The FDEP approved DEF's corrective action plan and Bartow is in compliance with Administrative Order as of December 2014. The copper discharge study at the Suwannee plant has been completed and a final report was submitted to the FDEP in June 2014 resulting in a corrective action of retiring the steam units. The Suwannee plant retired Units 1, 2 and 3 in December 2016.

Project Fiscal Expenditures:

2024 O&M expenditures are estimated to be \$65k. No new capital expenditures are forecasted.

Project Progress Summary:

DEF has begun complying with the requirements of the NPDES permits. Aquatic organism return study requirements have been postponed to align with the final EPA 316(b) rule requirements (Bartow/Anclote Plants) which was published 8/15/14. The aquatic organism return requirement is not a requirement in the Crystal River North NPDES permit. The dissolved oxygen study of cooling water intake and discharge at the Bartow plant was completed and the results of the study demonstrated there is no negative impact on DO due to the plant's operation. The final DO report was submitted to the FDEP on November 20, 2012, and the Department has not required any additional action. The Suwannee Steam station was retired and removed from service; therefore, WET testing is no longer required.

Project Projections:

2025 estimated O&M expenditures are \$190k. No capital expenditures are forecasted.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 20 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 35 of 44

Project Title: Mercury & Air Toxic Standards (MATS) CR4 & CR5
Project No. 17

Project Description:

The Commission approved ECRC recovery of DEF's costs for compliance with new hazardous air pollutant standards at Crystal River Units 4 & 5 (CR4&5) in Order No. PSC-2011-0553-FOF-EI. The final MATS rule was issued by the EPA on 12/21/11. The FDEP granted a limited, one-year extension for the mercury-related requirements on 3/12/15. DEF will utilize the co-benefits of existing FGD and SCR systems as the primary MATS emission controls. CR4&5 have demonstrated compliance with all MATS requirements as of 4/16/16.

Project Accomplishments:

DEF installed oxidation-reduction potential (ORP) probes and mercury re-emission control systems for MATS emissions control. In addition, continuous emissions monitoring systems (CEMS) were installed for compliance demonstration with particulate matter (PM) and mercury emissions. Appendix K sorbent traps have been certified and maintained to serve as backup monitors for mercury CEMS.

Project Fiscal Expenditures:

2024 O&M expenditures are estimated to be \$233K.

Project Progress Summary:

Initial implementation of the CR4&5 MATS compliance plan is complete.

Project Projections:

2025 estimated O&M is \$161k. No capital expenditures are forecasted.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 21 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 36 of 44

Project Title: Mercury & Air Toxic Standards (MATS) Anclote Gas Conversion
Project No. 17.1

Project Description:

Convert existing Anclote Units to use 100% natural gas to be in compliance with MATS as approved by the Commission in Order No. PSC-2012-0432-PAA-EI.

Project Accomplishments:

Unit 1 and Unit 2 gas conversions were completed 7/13/13 and 12/2/13, respectively. Unit 1 and Unit 2 Forced Draft (FD) fan modification work was completed 5/22/14 and 11/17/14, respectively.

Project Fiscal Expenditures:

No further ECRC expenditures are forecasted for this project.

Project Progress Summary:

This project is in-service.

This project was moved to base rates as of January 2022 per Order No. PSC-2021-0202-AS-EI.

Project Projections:

No further ECRC expenditures are forecasted for this project.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 22 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 37 of 44

Project Title: Mercury & Air Toxic Standards (MATS) CR1 & CR2
Project No. 17.2

Project Description:

DEF implemented its CR1&2 MATS Compliance Plan as approved by the Commission in Order No. PSC-2014-0173-PAA-EI. CR1&2 have demonstrated compliance with all MATS requirements as of 4/16/2016.

Project Accomplishments:

DEF finalized its CR1&2 MATS Compliance Plan in December 2013 and began implementation in early 2014. Modifications were made to the electrostatic precipitators (ESPs) to improve particulate collection efficiency, and reagent injection systems were installed to reduce hydrogen chloride (HCl) and mercury emissions. Appendix K sorbent traps were installed for compliance demonstration with mercury emissions.

Project Fiscal Expenditures:

No further Capital or O&M expenses are forecasted.

Project Progress Summary:

CR1&2 have been retired as of December 2020.

Project Projections:

No further Capital or O&M expenses are forecasted.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 23 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 38 of 44

Project Title: Coal Combustion Residual (CCR) Rule
Project No. 18

Project Description:

The Coal Combustion Residual (CCR) Rule was published in the Federal Register on 4/17/15 and became effective 10/19/15. This rule regulates the disposal of CCR as non-hazardous solid waste, and contains new requirements for CCR landfills and CCR surface impoundments. It also specifies implementation guidelines for compliance. The CCR compliance deadlines vary, with compliance obligations that were required as early as 10/19/15. The rule has specific impacts on the ash landfill and temporary gypsum pad at the Crystal River North site. No other DEF operating facilities are impacted by the CCR rule.

A Florida Department of Environmental Protection (FDEP) regulation (Rules 62-701.804 and 62-701-805 of the Florida Administrative Code) to adopt the federal CCR Rule became effective 3/11/22 and required Coal Combustion Residual landfills in Florida such as the ash landfill at Crystal River North to submit an operation permit application which was completed in 2023. The FDEP regulation also requires submitting documentation to demonstrate financial assurance for landfill closure and post-closure care on an annual basis and submitting a permit renewal application every 5 years.

An amendment to the CCR Rule was published in the Federal Register on 4/25/2024 and will become effective on 11/8/2024. The 2024 Federal CCR Rule amendment requires owners and operators of facilities to write reports with information to identify areas subject to the rule amendment and DEF could expect, at a minimum, additional facility evaluations and reporting.

Project Accomplishments:

DEF has remained in compliance with the CCR rule requirements, including but not limited to obtaining an operating permit, annual financial responsibility submittals, weekly and annual inspections, groundwater quality monitoring, groundwater corrective actions, and engineering reviews of stormwater management controls, ground stability, and fugitive dust controls.

Project Fiscal Expenditures:

2024 estimated O&M expenditures are \$485k. No capital expenditures are forecasted.

Project Progress Summary:

Maintenance, vegetation management, fugitive dust control, and weekly inspections for the Ash Landfill and Temporary Gypsum Pad continue. More frequent mowing and inspection work continues to be performed to comply with the CCR Rule. Annual inspection and semi-annual engineering reviews were completed for the Ash Landfill and its stormwater management ponds and ditches.

The groundwater assessment project for the Ash Landfill continued per the requirements of the rule. Required tasks included sample collection and analysis, data validation, statistical analysis, and reporting. The lined basin / ditch area project was completed and placed in service in 2021. O&M work to remove accumulated CCR material from the lined basin / ditch area is ongoing.

Project Projections:

2025 estimated O&M expenditures are \$689k. No capital expenditures are forecasted.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 24 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 39 of 44

Project Title: Reclaimed Water Interconnection
Project No. 19

Project Description:

DEF's DeBary Station is governed by the Saint Johns River Water Management District ("SJRWMD") Consumptive Use Permit ("CUP") and Section 373.250 Florida Statute. DEF must comply with the District's CUP, which requires DEF to use the lowest quality of water possible. To comply with the CUP, DEF will be required to design and construct a new Reverse Osmosis ("RO") system along with associated pumps and piping to pre-treat the reclaimed water. Full project scope and design is expected to start mid-2024, and equipment procurement, construction and testing expected to occur in 2025. The estimated in-service date of this project is fourth quarter 2025.

Project Accomplishments:

Engineering is underway, material delivery and construction in 2025.

Project Fiscal Expenditures:

2024 Capital expenditures are forecasted to be \$188k.

Project Progress Summary:

Notified Commission of new project on June 30, 2023.

Project Projections:

Forecasted 2025 Capital is \$1.5M.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 25 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 40 of 44

Project Title: **Lead and Copper Rule**
Project No. 20

Project Description:

The EPA Lead and Copper Rule 40 CFR 141 Subpart I Revisions (“LCRR”) was published in the national register January 15, 2021 and has an effective date of March 16, 2021. The State of Florida adopted Federal requirements for lead and copper regulation in potable water systems under section 62-550.800, F.A.C. Included with the revision is a requirement for all community and non-transient non-community (“NTNC”) water systems to conduct an initial lead service line (“LSL”) inventory and submit the results to the regulatory agency by October 16, 2024. DEF sites subject to this requirement are Citrus Combined Cycle, Crystal River, and Hines. The EPA intends to amend the LCRR with the promulgation of the Lead and Copper Rule Improvements (“LCRI”) before Oct. 16, 2024. The EPA’s intent is to keep the LCRR requirements for initial LSL inventories even after the LCRR is amended by the LCRI, including the compliance date of Oct. 16, 2024, for completion of the initial LSL inventories.

Project Accomplishments:

Inventory has been conducted.

Project Fiscal Expenditures:

2024 O&M is forecasted to be \$30k.

Project Progress Summary:

Notified Commission of new project on June 30, 2023.

Project Projections:

No O&M is forecasted for 2025.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
January 2025 - December 2025
Description and Progress Report for
Environmental Compliance Activities and Projects

Form 42-5P
Page 26 of 26

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 41 of 44

Project Title: Citrus Combined Cycle Water Treatment System
Project No. 21

Project Description:

Rule 62-520.420, Florida Administrative Code (F.A.C.) establishes standards for discharges into Class G-I and G-II Ground Water, including compliance with the ground water standard for Manganese of 0.160 mg/L as implemented in Attachment H of Conditions of Certification PA 77-09, which authorizes discharge of the Industrial Wastewater (“IWW”) generated by the station into a percolation pond system. The authorization includes ground water monitoring required to comply with the rule.

On January 10, 2023, the Florida Department of Environmental Protection (“FDEP”) issued Administrative Order AO-052SWD22 (“AO”) to provide an interim limit and compliance schedule to address exceedances of the Manganese ground water standard following the February 7, 2023 amendment of the Attachment H which designated compliance wells and implemented a site-specific manganese ground water standard based on background conditions. The AO requires the station to be in compliance with the standard by January 10, 2026, 3 years from issuance of the AO. The 2nd Quarter 2023 Progress Report submitted to FDEP on July 13, 2023, as required by the AO, indicated that DEF would be pursuing the design of a permanent manganese reduction solution for the site and expected to have a concept design completed by the end of 3rd Quarter 2023. The concept design for the Citrus Combined Cycle Water Treatment System was completed as scheduled and a meeting was conducted with FDEP on November 13, 2023, to discuss permitting of the project by amending Attachment H of the Conditions of Certification.

To comply, DEF will construct and operate a Water Treatment System to remove manganese from the station’s filter backwash, with the treated water being reused in the service water system, and the solids being disposed of at the Crystal River Energy Complex landfill.

Project Accomplishments:

Material delivery and construction in 2025.

Project Fiscal Expenditures:

2024 capital is forecasted to be \$1.8M.

Notified Commission of new project on April 1, 2024.

Project Projections:

Forecasted 2025 capital is \$1.1M and O&M is \$38k.

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of the Energy & Demand Allocation % by Rate Class
January 2025 - December 2025

Form 42-6P

Docket No. 20240007-EI
 Duke Energy Florida, LLC
 Witness: G. P. Dean
 Exh. No. (GPD-3)
 Page 42 of 44

Rate Class	(1) Average 12CP Load Factor at Meter (%)	(2) Sales at Meter (mWh)	(3) Avg 12 CP at Meter (MW) <small>(2)/(8784hrsx(1))</small>	(4) NCP Class Max Load Factor	(5) Delivery Efficiency Factor	(6) Sales at Source (Generation) (mWh) <small>(2)/(5)</small>	(7) Avg 12 CP at Source (MW) <small>(3)/(5)</small>	7(a) Sales at Source (Distrib Svc Only) (mWh)	(8) Class Max MW at Source Level (Distrib Svc) <small>(7a)/(8784hrs/(4))</small>	(9) mWh Sales at Source Energy Allocator (%)	(10) 12CP Demand Transmission Allocator (%)	(11) NCP Distribution Allocator (%)	(12) 12CP & 25% AD Demand Allocator (%)
Residential													
RS-1, RST-1, RSL-1, RSL-2													
Secondary	0.534	21,763,235	4,650.28	0.423	0.9476928	22,964,440	4,906.95	22,964,440	6,190.2	53.510%	63.240%	64.708%	60.807%
General Service Non-Demand													
GS-1, GST-1													
Secondary	0.651	2,388,776	418.66	0.483	0.9476928	2,520,622	441.77	2,520,622	596.2	5.873%	5.693%	6.232%	5.738%
Primary	0.651	31,236	5.47	0.483	0.9743973	32,057	5.62	32,057	7.6	0.075%	0.072%	0.079%	0.073%
Sec Del/Primary Mtr	0.651	0	0.00	0.483	0.9743973	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Transmission	0.651	4,830	0.85	0.483	0.9843973	4,906	0.86	0	0.0	0.011%	0.011%	0.000%	0.011%
										5.959%	5.777%	6.311%	5.823%
General Service													
Secondary	1.000	208,878	23.84	1.000	0.9476928	220,407	25.16	220,407	25.2	0.514%	0.324%	0.263%	0.372%
General Service Demand													
GSD-1, GSDT-1													
Secondary	0.777	10,997,140	1,615.76	0.634	0.9476928	11,604,119	1,704.95	11,604,119	2,090.4	27.039%	21.973%	21.851%	23.239%
Primary	0.777	1,703,461	250.28	0.634	0.9743973	1,748,220	256.86	1,748,220	314.9	4.074%	3.310%	3.292%	3.501%
Secondary Del/ Primary Mtr	0.777	24,523	3.60	0.634	0.9743973	25,167	3.70	25,167	4.5	0.059%	0.048%	0.047%	0.050%
Primary Del/Secondary Mtr	0.777	5,303	0.78	0.634	0.9476928	5,595	0.82	5,595	1.0	0.013%	0.011%	0.011%	0.011%
Transm Del/ Primary Mtr	0.777	0	0.00	0.634	0.9743973	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Transmission	0.777	526,922	77.42	0.634	0.9843973	535,274	78.65	0	0.0	1.247%	1.014%	0.000%	1.072%
SS-1 Primary	0.985	45,655	5.29	0.345	0.9743973	46,855	5.43	46,855	15.5	0.109%	0.070%	0.162%	0.080%
Transm Del/ Transm Mtr	0.985	5,332	0.62	0.345	0.9843973	5,416	0.63	0	0.0	0.013%	0.008%	0.000%	0.009%
Transm Del/ Primary Mtr	0.985	4,022	0.47	0.345	0.9743973	4,128	0.48	0	0.0	0.010%	0.006%	0.000%	0.007%
										32.563%	26.439%	25.363%	27.970%
Curtailable													
CS-2, CST-2, CS-3, CST-3													
Secondary	1.002	0	0.00	0.778	0.94769	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Primary	1.002	61,550	7.02	0.778	0.9743973	63,167	7.20	63,167	9.3	0.147%	0.093%	0.097%	0.106%
SS-3 Primary	1.207	0	0.00	0.576	0.9743973	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
										0.147%	0.093%	0.097%	0.106%
Interruptible													
IS-2, IST-2													
Secondary	1.012	383,674	43.27	0.740	0.9476928	404,850	45.66	404,850	62.4	0.943%	0.588%	0.653%	0.677%
Sec Del/Primary Mtr	1.012	0	0.00	0.740	0.9743973	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Primary Del / Primary Mtr	1.012	1,027,727	115.90	0.740	0.9743973	1,054,730	118.95	1,054,730	162.6	2.458%	1.533%	1.700%	1.764%
Primary Del / Transm Mtr	1.012	0	0.00	0.740	0.9843973	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Transm Del/ Transm Mtr	1.012	1,022,056	115.26	0.740	0.9843973	1,038,256	117.09	0	0.0	2.419%	1.509%	0.000%	1.737%
Transm Del/ Primary Mtr	1.012	221,586	24.99	0.740	0.9743973	227,408	25.65	0	0.0	0.530%	0.331%	0.000%	0.380%
SS-2 Primary	0.838	13,700	1.87	0.237	0.9743973	14,060	1.92	14,060	6.8	0.033%	0.025%	0.071%	0.027%
Transm Del/ Transm Mtr	0.838	6,160	0.84	0.237	0.9843973	6,257	0.85	0	0.0	0.015%	0.011%	0.000%	0.012%
Transm Del/ Primary Mtr	0.838	54,060	7.37	0.237	0.9743973	55,480	7.56	0	0.0	0.129%	0.097%	0.000%	0.105%
										6.527%	4.094%	2.423%	4.702%
Lighting													
LS-1 (Secondary)	14.969	317,404	2.42	0.479	0.9476928	334,923	2.55	334,923	79.8	0.780%	0.033%	0.834%	0.220%
		40,817,228	7,372.27			42,916,340	7,759.29	41,039,214	9,566.4	100.000%	100.000%	100.000%	100.000%

Notes:

(1)	Average 12CP load factor based on load research study filed April 28, 2023	(7)	Column 3 / Column 5
(2)	Projected kWh sales for the period January 2025 to December 2025	(7a)	Column 6 excluding transmission service
(3)	Calculated: Column 2 / (8,760 hours x Column 1)	(8)	Calculated: Column 7a / (8,760 hours/ Column 4)
(4)	NCP load factor based on load research study filed April 28, 2023	(9)	Column 6/ Total Column 6
(5)	Based on system average line loss analysis for 2023	(10)	Column 7/ Total Column 7
(6)	Column 2 / Column 5	(11)	Column 8/ Total Column 8
		(12)	(Column 9 x .25) + (Column 10 x .75)

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Environmental Cost Recovery Clause Rate Factors by Rate Class
January 2025 - December 2025

Form 42-7P

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 43 of 44

Rate Class	(1) mWh Sales at Source Energy Allocator (%)	(2) 12CP Transmission Demand Allocator (%)	(3) NCP Distribution Allocator (%)	(4) 12CP & 25% AD Demand Allocator (%)	(5) Energy- Related Costs (\$)	(6) Transmission Demand Costs (\$)	(7) Distribution Demand Costs (\$)	(8) Production Demand Costs (\$)	(9) Total Environmental Costs (\$)	(10) Projected Effective Sales at Meter Level (mWh)	(11) Environmental Cost Recovery Factors (cents/kWh)
Residential											
RS-1, RST-1, RSL-1, RSL-2											
Secondary	53.510%	63.240%	64.708%	60.807%	\$3,790,511	\$0	\$0	\$2,780,305	\$6,570,816	21,763,235	0.030
General Service Non-Demand											
GS-1, GST-1											
Secondary										2,388,776	0.028
Primary										30,924	0.028
Transmission										4,733	0.027
TOTAL GS	5.959%	5.777%	6.311%	5.823%	\$422,155	\$0	\$0	\$266,226	\$688,381	2,424,432	
General Service											
GS-2											
Secondary	0.514%	0.324%	0.263%	0.372%	\$36,380	\$0	\$0.00	\$16,990.41	\$53,371	208,878	0.026
General Service Demand											
GSD-1, GSDT-1, SS-1											
Secondary										11,002,443	0.027
Primary										1,759,885	0.027
Transmission										521,609	0.026
TOTAL GSD	32.563%	26.439%	25.363%	27.970%	\$2,306,677	\$0	\$0	\$1,278,889	\$3,585,566	13,283,936	
Curtailable											
CS-2, CST-2, CS-3, CST-3, SS-3											
Secondary										-	0.025
Primary										60,934	0.025
Transmission										-	0.025
TOTAL CS	0.147%	0.093%	0.097%	0.106%	\$10,426	\$0	\$0	\$4,864	\$15,291	60,934	
Interruptible											
IS-2, IST-2, SS-2											
Secondary										383,674	0.025
Primary										1,303,902	0.025
Transmission										1,007,651	0.025
TOTAL IS	6.527%	4.094%	2.423%	4.702%	\$462,340	\$0	\$0	\$215,003	\$677,343	2,695,227	
Lighting											
LS-1											
Secondary	0.780%	0.033%	0.834%	0.220%	\$55,282	\$0	\$0.00	\$10,049.53	\$65,332	317,404	0.021
	100.000%	100.000%	100.000%	100.000%	\$7,083,772	\$0	\$0	\$4,572,327	\$11,656,099	40,754,047	0.029

- Notes:
- (1) From Form 42-6P, Column 9
 - (2) From Form 42-6P, Column 10
 - (3) From Form 42-6P, Column 11
 - (4) From Form 42-6P, Column 12
 - (5) Column 1 x Total Energy Jurisdictional Dollars from Form 42-1P, line 5
 - (6) Column 2 x Total Transmission Demand Jurisdictional Dollars from Form 42-1P, line 5
 - (7) Column 3 x Total Distribution Demand Jurisdictional Dollars from Form 42-1P, line 5
 - (8) Column 4 x Total Production Demand Jurisdictional Dollars from Form 42-1P, line 5
 - (9) Column 5 + Column 6 + Column 7 + Column 8
 - (10) Projected kWh sales at secondary voltage level for the period January 2025 to December 2025
 - (11) (Column 9 / Column 10)/10

DUKE ENERGY FLORIDA, LLC
Environmental Cost Recovery Clause
Calculation of Projected Period Amount
January 2025 - December 2025

Form 42 8P

Docket No. 20240007-EI
Duke Energy Florida, LLC
Witness: G. P. Dean
Exh. No. (GPD-3)
Page 44 of 44

Capital Structure and Cost Rates

	(1)	(2)	(3)	(4)	(5)	(6)
	Jurisdictional Rate Base Adjusted Retail (\$000s)	Cap Ratio	Cost Rate	Weighted Cost	Revenue Requirement Rate	Monthly Revenue Requirement Rate
1 Common Equity	\$ 8,996,015	45.57%	10.30%	4.69%	6.29%	0.5242%
2 Long Term Debt	8,022,869	40.64%	4.49%	1.82%	1.82%	0.1520%
3 Short Term Debt	(38,461)	-0.19%	3.25%	-0.01%	-0.01%	-0.0005%
4 Cust Dep Active	150,303	0.76%	2.61%	0.02%	0.02%	0.0017%
5 Cust Dep Inactive	1,444	0.01%			0.00%	0.0000%
6 Invest Tax Cr	197,136	1.00%	7.56%	0.08%	0.10%	0.0083%
7 Deferred Inc Tax	2,411,191	12.21%			0.00%	0.0000%
8 Total \$	19,740,497	100.00%		6.61%	8.23%	0.6857%

	ITC split between Debt and Equity**:	Ratio	Cost Rate	Ratio	Ratio	Deferred Inc Tax	Weighted ITC	After Gross-up
9 Common Equity	8,996,015	53%	10.30%	5.44%	72.0%	0.08%	0.058%	0.077%
10 Preferred Equity	-	0%				0.08%	0.000%	0.000%
Long Term Debt	8,022,869	47%	4.49%	2.12%	28.0%	0.08%	0.022%	0.022%
12 ITC Cost Rate	17,018,884	100%		7.56%			0.080%	0.100%

Breakdown of Revenue Requirement Rate of Return between Debt and Equity:

13 Total Equity Component (Lines 1 and 9)	6.367% Total Pre-Tax Equity
14 Total Debt Component (Lines 2, 3, 4, and 11)	1.860% Total Debt
15 Total Revenue Requirement Rate of Return	8.227% WACC

Notes:

Effective Tax Rate: 25.345%

Column:

- (1) Per Order No. PSC-2020-0165-PAA-EU, issued May 20, 2020, approving amended joint motion modifying WACC methodology
- (2) Column (1) / Total Column (1)
- (3) Per Docket No. 20240025 - Petition for Rate Increase by Duke Energy Florida, LLC - Joint Motion for Approval of Settlement Agreement filed 7/15/24 and approved by the Commission on 8/21/24.
Line 6 and Line 12, the cost rate of ITC's is determined under Treasury Regulation section 1.46-6(b)(3)(ii).
- (4) Column (2) x Column (3)
- (5) For equity components: Column (4) / (1-effective income tax rate/100)
* For debt components: Column (4)
- ** Line 6 is the pre-tax ITC components from Lines 9 and 11
- (6) Column (5) / 12

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

PATRICIA Q. WEST

ON BEHALF OF

DUKE ENERGY FLORIDA, LLC

DOCKET NO. 20240007-EI

August 30, 2024

1 **Q. Please state your name and business address.**

2 A. My name is Patricia Q. West. My business address is 299 First Avenue North, St.
3 Petersburg, FL 33701.

4

5 **Q. Have you previously filed testimony before this Commission in Docket No.**
6 **20240007-EI?**

7 A. Yes. I provided direct testimony on April 1, 2024, and July 26, 2024.

8

9 **Q. Has your job description, education, background, or professional experience**
10 **changed since that time?**

11 A. No.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to provide estimates of the costs that will be
15 incurred in 2025 for Duke Energy Florida, LLC's ("DEF" or "Company")
16 Substation Environmental Investigation, Remediation and Pollution Prevention

1 Program (Projects 1 & 1a), Distribution Environmental Investigation,
2 Remediation and Pollution Prevention Program (Project 2), Pipeline Integrity
3 Management (“PIM”) Program (Project 3), Above Ground Storage Tanks
4 (“AST”) Program (Project 4), Phase II Cooling Water Intake 316(b) Program
5 (Project 6), CAIR/CAMR Continuous Mercury Monitoring System (“CMMS”)
6 Program (Projects 7.2 & 7.3), Best Available Retrofit Technology (“BART”)
7 Program (Project 7.5), National Emission Standards for Hazardous Air Pollutants
8 (NESHAP – Base (Project 7.6), Arsenic Groundwater Standard Program (Project
9 8), Sea Turtle – Coastal Street Lighting Program (Project 9), Underground Storage
10 Tanks (“UST”) Program (Project 10), Modular Cooling Towers (Project 11),
11 Thermal Discharge Permanent Compliance (Project 11.1), Greenhouse Gas
12 Inventory and Reporting (Project 12), Mercury Total Maximum Loads
13 Monitoring (“TMDL”) (Project 13), Hazardous Air Pollutants (“HAPs”)
14 Information Collection Request (“ICR”) (Project 14), Effluent Limitation
15 Guidelines CRN (Project 15.1), National Pollutant Discharge Elimination System
16 (“NPDES”) Program (Project 16), Reclaimed Water Interconnection (Project 19),
17 Lead and Copper Rule (Project 20), and Citrus Combined Cycle Water Treatment
18 System (Project 21).

19

20 **Q. Have you prepared or caused to be prepared under your direction,**
21 **supervision or control any exhibits in this proceeding?**

22 **A.** Yes. I am co-sponsoring the following portions of Exhibit No. (GPD-3) to Gary
23 P. Dean’s direct testimony:

- 1 • 42-5P page 1 of 26 – Substation Environmental Investigation,
2 Remediation and Pollution Prevention Program
- 3 • 42-5P page 2 of 26 - Distribution System Environmental Investigation,
4 Remediation and Pollution Prevention Program
- 5 • 42-5P page 3 of 26 – PIM
- 6 • 42-5P page 4 of 26 - AST
- 7 • 42-5P page 6 of 26 - Phase II Cooling Water Intake
- 8 • 42-5P page 7 of 26 – Clean Air Interstate Rule (“CAIR”)
- 9 • 42-5P page 8 of 26 – BART
- 10 • 42-5P page 9 of 26 - Arsenic Groundwater Standard
- 11 • 42-5P page 10 of 26 – Sea Turtle – Coastal Street Lighting Program
- 12 • 42-5P page 11 of 26 - UST
- 13 • 42-5P page 12 of 26 - Modular Cooling Towers
- 14 • 42-5P page 13 of 26 - Thermal Discharge Permanent Cooling Tower
- 15 • 42-5P page 14 of 26 - Greenhouse Gas Inventory and Reporting
- 16 • 42-5P page 15 of 26 - Mercury TMDL
- 17 • 42-5P page 16 of 26 - HAPs ICR
- 18 • 42-5P page 17 of 26 - Effluent Limitation Guidelines ICR Program
- 19 • 42-5P page 18 of 25 - Effluent Limitation Guidelines CRN Program
- 20 • 42-5P page 19 of 26 – NPDES
- 21 • 42-5P Page 24 of 26 – Reclaimed Water Interconnection
- 22 • 42-5P Page 25 of 26 – Lead and Copper Rule
- 23 • 42-5P Page 26 of 26 – Citrus Combined Cycle Water Treatment System

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Q. What O&M costs does DEF expect to incur in 2025 for the Phase II Cooling Water Intake 316(b) Program (Projects 6 and 6a)?

A. DEF is forecasting a total of \$606k in O&M costs for the Phase II Cooling Water Intake Program 316(b) projects in 2025.

DEF estimates approximately \$231k of O&M for Crystal River North, Project 6 - Base, for the routine inspection and cleaning of the 316(b) compliant screens.

DEF estimates approximately \$375k of O&M costs for the Anclote Station, Project 6a – Intermediate, for the development and implementation of the impingement mortality study plan.

Q. What Capital costs does DEF expect to incur in 2025 for the Phase II Cooling Water Intake 316(b) Program for Bartow CC station (Project 6.1)?

A. DEF estimates approximately \$960k of capital costs in 2025 for Bartow station 316(b) (Project 6.1).

These costs are for the preliminary engineering and design of modified traveling screens and an organism return system.

Q. What costs does DEF expect to incur in 2025 for the National Emission Standards for Hazardous Air Pollutants (“NESHAP”) – Base (Project 7.6)?

A. DEF is forecasting \$25k in O&M costs for the NESHAP project in 2025 for annual compliance testing at Citrus Combined Cycle Station (“CCC”). DEF is required to conduct annual compliance tests to demonstrate continued compliance with the formaldehyde limit.

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Q. What costs does DEF expect to incur in 2025 for the Arsenic Groundwater Standard Program (Project 8)?

A. DEF forecasts 2025 O&M expenditures to be \$58k. Anticipated costs are associated with maintenance of the soils cap (engineering control) installed in the former north ash pond, institutional controls checklist and draft declaration of restrictive covenant followed by the final declaration of restrictive covenant.

Q. What costs does DEF expect to incur in 2025 for the NPDES Program (Project No. 16)?

A. DEF estimates \$190k of O&M costs for NPDES Program. This includes \$38k for Whole Effluent Toxicity (“WET”) testing as required at DEF stations with NPDES permits. It also includes \$152k for implementation of an updated thermal plan of study (“POS”) at Crystal River North as required by the October 2023 NPDES permit.

Q. What costs does DEF expect to incur in 2025 for the Reclaimed Water Interconnection Program (Project No. 19)?

A. DEF estimates \$1.5M of Capital costs for the for the engineering, materials, and construction of the new treatment system and associated piping.

Q. Please provide an update on the Reclaimed Water Interconnection Program (Project No. 19).

1 A. The project engineering commenced in May 2024. Construction is expected to
2 begin in March of 2026, with an estimated in-service date in the 3rd quarter 2026.

3

4 **Q. What costs does DEF expect to incur in 2025 for the Citrus Combined Cycle
5 Water Treatment System Program (Project No. 21)?**

6 A. DEF is forecasting this project to be complete in 2025 and all costs to be final by
7 year-end. DEF estimates \$1.1M of Capital costs for 2025.

8

9 **Q. Please provide an update on the Citrus Combined Cycle Water Treatment
10 System Program (Project No. 21).**

11 A. DEF is currently working on design and expects to receive bids for the major
12 components by September 2024. By first quarter 2025, DEF expects to complete
13 the reviews of bids and select construction vendors. Main component delivery and
14 construction start is expected in Q2 2025. DEF anticipates construction
15 completion and the project to be placed in-service by Q4 2025, and a total project
16 cost of \$2.9M.

17

18 **Q. Does this conclude your testimony?**

19 A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

ERIC SZKOLNYJ

ON BEHALF OF

DUKE ENERGY FLORIDA, LLC

DOCKET NO. 20240007-EI

August 30, 2024

1 **Q. Please state your name and business address.**

2 A. My name is Eric Szkolnyj. My business address is 525 South Tryon Street,
3 Charlotte, NC 28202.

4

5 **Q. Have you previously filed testimony before this Commission in Docket No.**
6 **20240007-EI?**

7 A. Yes. I provided direct testimony on April 1, 2024, and July 26, 2024.

8

9 **Q. Has your job description, education, background, or professional experience**
10 **changed since that time?**

11 A. No.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to provide an update on Duke Energy Florida,
15 LLC's ("DEF" or "Company") proposed compliance activities and 2025
16 estimated costs associated with the Coal Combustion Residual ("CCR") Rule, for

1 which the Company seeks recovery under the Environmental Cost Recovery
2 Clause (“ECRC”).

3

4 **Q. Have you prepared or caused to be prepared under your direction, supervision**
5 **or control any exhibits in this proceeding?**

6 A. Yes. I am co-sponsoring the following portion of Exhibit No. (GPD-3) to Gary
7 P. Dean’s direct testimony:

- 8 • 42-5P page 23 – Coal Combustion Residual Rule

9

10 **Q. What O&M costs does DEF expect to incur in 2025 for the Coal Combustion**
11 **Residual Rule Program (Project No. 18)?**

12 A. DEF is forecasting \$689k in O&M costs for 2025. Various maintenance and repair
13 work is required for the ash landfill to comply with the rule, including
14 maintenance of the landfill cover, vegetation management, fugitive dust
15 mitigation, weekly and annual inspections, and cleaning out and evaluating the
16 performance of the lined sedimentation pond and perimeter ditches which were
17 installed as groundwater corrective measures. DEF will also continue to perform
18 the required ongoing groundwater monitoring for the ash landfill, which includes
19 engineering, sampling, analysis, reporting, installing two additional groundwater
20 monitoring wells, and performing additional groundwater studies. The 2025
21 O&M projection also includes the annual preparation and validation of the
22 financial reporting needed to comply with the Florida Department of
23 Environmental Protection’s adoption of the CCR Rule.

24

1 **Q. What Capital costs does DEF expect to incur in 2025 for the Coal**
2 **Combustion Residual Rule Program (Project No. 18)?**

3 A. DEF does not expect capital expenditures in 2025.
4

5 **Q. Please explain the 2024 amendment to the existing CCR Rule.**

6 A. On May 8, 2024, an amendment to the existing CCR Rule was published in the
7 Federal Register, referred to as the Legacy CCR Rule, with an effective date of
8 November 8, 2024. This rule expands the scope of units regulated under the
9 existing CCR Rule to include both legacy impoundments (inactive surface
10 impoundments at inactive generating facilities) that contained CCR and liquids
11 on or after the CCR Rule's effective date of October 19, 2015, and additional CCR
12 Management Units at facilities otherwise subject to the CCR Rule. The Legacy
13 Rule regulates CCR Management Units, a term defined in the Legacy Rule as any
14 area of land on which any non-containerized accumulation of CCR is received,
15 placed, or otherwise managed. This definition includes inactive CCR landfills and
16 CCR Units that closed prior to the effective date of the 2015 rule.

17

18 **Q. Will DEF incur any capital or O&M costs in 2025 to comply with the 2024**
19 **Legacy CCR Rule?**

20 DEF continues to evaluate the Legacy CCR Rule. DEF expects that additional
21 compliance activities at the Crystal River facility may be required. At a minimum,
22 DEF anticipates additional facility inspections, evaluations, and reporting
23 requirements; further compliance activities may be required based on the outcome
24 of DEF's evaluation of the Legacy CCR Rule. Any capital or O&M compliance

1 costs anticipated by DEF under the Legacy CCR Rule will be included in the
2 appropriate future ECRC filing(s) under DEF's existing Project No. 18.

3

4 **Q. Does this conclude your testimony?**

5 A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

REGINALD ANDERSON

ON BEHALF OF

DUKE ENERGY FLORIDA, LLC

DOCKET NO. 20240007-EI

August 30, 2024

1 **Q. Please state your name and business address.**

2 A. My name is Reginald Anderson. My business address is 299 1st Avenue North,
3 St. Petersburg, FL 33701.

4

5 **Q. Have you previously filed testimony before this Commission in Docket No.**
6 **20230007-EI?**

7 A. Yes. I provided direct testimony on April 1, 2024, and July 26, 2024.

8

9 **Q. Has your job description, education, background, or professional experience**
10 **changed since that time?**

11 A. No.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to provide estimates of ECRC-recoverable costs
15 that will be incurred in 2025 for Duke Energy Florida, LLC's ("DEF" or
16 "Company") environmental compliance programs under my responsibility. These

1 programs include the CAIR/CAMR Crystal River (“CR”) Program (Project 7.4),
2 Mercury and Air Toxics Standards (MATS) – Crystal River (CR) 4&5 (Project
3 17), Mercury and Air Toxics Standards (MATS) – Anclote Gas Conversion
4 (Project 17.1), and Mercury & Air Toxics Standards (MATS) – Crystal River 1&2
5 Program (Project 17.2).

6

7 **Q. Have you prepared or caused to be prepared under your direction,**
8 **supervision or control any exhibits in this proceeding?**

9 A. Yes. I am co-sponsoring the following portions of Exhibit No. (GPD-3) to Gary
10 P. Dean’s direct testimony:

- 11 • 42-5P page 7 of 26 – Clean Air Interstate Rule (CAIR)
- 12 • 42-5P page 20 of 26 - MATS – CR4&5
- 13 • 42-5P page 21 of 26 - MATS – Anclote Gas Conversion
- 14 • 42-5P page 22 of 26 - MATS – CR1&2

15

16 **Q. What O&M costs does DEF expect to incur in 2025 for the CAIR/CAMR**
17 **Crystal River – Energy Program (Project 7.4)?**

18 A. DEF estimates O&M costs of approximately \$8.3M to support reagent and bi-
19 product costs (ammonia, limestone, hydrated lime, caustic, dibasic acid, and net
20 gypsum sales/disposal) for use at the CR Energy Complex (“CREC”) as outlined
21 in DEF’s Integrated Clean Air Compliance Plan.

22

23 **Q. What O&M costs does DEF expect to incur in 2025 for the MATS Program**
24 **– CR 4&5 (Project No. 17)?**

1 A. DEF estimates O&M costs of approximately \$161k for CR 4&5 MATS
2 compliance. This estimate includes emissions testing, burner inspections,
3 maintenance of emissions monitoring and control technologies, and reagent costs.

4

5 **Q. Does this conclude your testimony?**

6 A. Yes.

7